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FBIS-EAS-92-161 CONTENTS *19 August 1992*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

- Lawmakers To Take Views on Isles to Sakhalin *[KYODO]* 1
- World Court Hearing for Dispute Said Premature *[KYODO]* 1
- Number of Illegal Chinese Immigrants Increasing *[KYODO]* 1
- JETRO To Establish Office in PRC Province *[KYODO]* 2
- Fact-Finding Mission Leaves Bangkok for Tokyo *[KYODO]* 2
- Comprehensive Stock Market Package Unveiled *[KYODO]* 2
  - Mieno Supports Latest Measures *[KYODO]* 3
  - Effort To Amortize Property Viewed *[KYODO]* 4
  - Property-Buying Firm Planned *[KYODO]* 4
  - Stock-Holding System Planned *[KYODO]* 4
- Public Works Spending Rises in First Quarter *[KYODO]* 5

North Korea

- Opening of 'Focus Lens' Exercise Reported *[KCNA]* 5
  - Foreign Ministry Spokesman's Statement *[Pyongyang Radio]* 5
  - Paper Denounces Exercise *[KCNA]* 6
- Japan Said To Seek Political, Military Power *[KCNA]* 6
- Japanese Officials' Visit to Shrine Denounced *[KCNA]* 7
- Former Comfort Women, Overseas Delegates Meet *[KCNA]* 7
- Kim Tal-hyon Meets PRC Technology Delegation *[KCNA]* 8
  - Signs Meeting Protocol 18 Aug *[KCNA]* 8
- PRC Military Delegation, Other Groups Arrive *[KCNA]* 8
- CIS Journalist 'Maliciously Slandered' Nation *[KCNA]* 8
- Steady Nonaligned Movement Development Urged *[KCNA]* 9
- N-S Political Subcommittee Fourth Meeting Held *[KCNA]* 9
- Kim Il-song Meets Pan-National Rally Participants *[KCNA]* 9
- Daily Denounces South 'Ruler' as 'Hypocrite' *[KCNA]* 10

South Korea

- 'Technomart' Planned To Acquire U.S. Technology *[YONHAP]* 11
- Ministry Says Banks To Open Offices in Beijing *[YONHAP]* 11
- Trade Deficit With Japan Decreases by 17 Percent *[YONHAP]* 11
- CIS Defaults on Former USSR Interest Payment *[THE KOREA HERALD 19 Aug]* 12
- Seoul To Support Mexico for APEC Membership *[YONHAP]* 12
- Political Subcommittee Contact Held in Panmunjom *[Seoul Radio]* 12
  - Members Agree on Auxiliary Pact Wording *[YONHAP]* 12
- Government To Allow Some Contacts With North *[HANGUK ILBO 19 Aug]* 13
- Businessmen To Visit North To Help 'Moderates' *[SEOUL SINMUN 16 Aug]* 13
- Minister on Significance of Kim Tal-hyon Visit *[YONHAP]* 13
- Problems Mount Due to 'Hamstrung' Assembly *[YONHAP]* 13
- Assembly Political Committee Forms Subcommittees *[YONHAP]* 14
  - Parties 'Poles Apart' in Subcommittees *[YONHAP]* 15
- Opposition Leader Approves of New Party *[THE KOREA TIMES 19 Aug]* 15
- DLP Tries To Prevent Defections to New Party *[THE KOREA TIMES 19 Aug]* 16
- Minister Seeks Ways To Re-Energize Stock Market *[YONHAP]* 16
- Candidates Suggest Solutions to Stock Market Slump *[THE KOREA HERALD 19 Aug]* 16

Planning Board Favors Increasing 1993 Budget [YONHAP] 17
Nation Rated 9th Largest Nuclear Power Producer [THE KOREA TIMES 19 Aug] 17
Nation To Shed World Bank Loan Recipient Status [THE KOREA TIMES 19 Aug] 18
DP Protests 'Excessive' Force Against Students [THE KOREA HERALD 19 Aug] 18

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

Commentary Hails Strengthening of Ties With PRC [Kuala Lumpur International] 19
Deputy Premier on UN Special Session on Bosnia [Kuala Lumpur International] 19
Editorial on Gravity of Bosnia-Hercegovina Issue [NEW STRAITS TIMES 14 Aug] 19
Joint Post Planned at Border With Indonesia [Kuala Lumpur International] 20
Police Chief: No Report on Aceh Rebels Sanctuary [UTUSAN MALAYSIA 24 Jul] 20

Cambodia

UNTAC Chief Signs Cambodian Election Laws [SPK] 20
Teachers Reportedly Told To Vote for Ruling Party [Radio VOK] 21
Sihanouk: 'No Illusions' on Peace Accord Problems [Paris LE FIGARO 17 Aug] 21
Reportage on Prince Sihanouk's Recent Activities 22
    Receives Courtesy Call From Chea Sim [Phnom Penh Radio] 22
    Receives UNHCR Representative [Phnom Penh Radio] 22
    Meets Delegation From France [Phnom Penh Radio] 22
    Receives Egyptian Envoy's Credentials [Phnom Penh Radio] 23
Hor Namhong Discusses Khmer Rouge Noncooperation [Phnom Penh Radio] 23
UNTAC Establishes Presence in Two Provinces 24
    Coordination Commission in Prey Veng [Phnom Penh Radio] 24
    Personnel Arrive in Svay Rieng [Phnom Penh Radio] 24
Khmer Rouge Violations in Kompong Thom Reported [SPK] 25
Vietnamese Family Reportedly Killed Mid-Jul [Radio VGNUFC] 25

Indonesia

Economist on NAFTA Formation, NAM Relevance [ANTARA] 26
East Timor Governor Urges Talks With Portugal [THE JAKARTA POST 10 Aug] 26
Parliamentarian Says Yugoslavia Ties Needed [Jakarta Radio] 26

Laos

Nouhak Phoumsavan Visits Savannakhet Province [Vientiane Radio] 27
'Urgent' Instruction on 3d Front Congress Issued [Vientiane Radio] 27
Need To Appreciate Public Security Work Viewed [PASASON 5 Aug] 28

Philippines

Businessmen Express Fears Over NAFTA [PHILIPPINE DAILY INQUIRER 19 Aug] 29
Democratic Win in U.S. Elections To Favor Ties [PHILIPPINE DAILY INQUIRER 19 Aug] 30
Police Chief 'Not Resigning' Despite Allegations [PHILIPPINE DAILY INQUIRER 19 Aug] 30
Communist Rebel Leaders Surrender in Isabela [PHILIPPINE DAILY INQUIRER 19 Aug] 31

Thailand

Fears of U.S. Embargo on 'Surge' of Textiles [THE NATION 19 Aug] 32
AFTA Adjustment Urged To Compete With NAFTA [Bangkok Radio] 32
Crime Suppression Along Cambodian Border Stressed [BANGKOK POST 18 Aug] 33
Army Engineers' Work in Cambodia Observed [Bangkok Radio] 33
Burmese Government Proposes New Rail Link [BANGKOK POST 18 Aug] 33
Cabinet Receives 'Final Report' on May Events [THE NATION 19 Aug] 34

Chatchai Details Plans for Northern Region Growth *[BANGKOK POST 19 Aug]* 34
Chat Phatthana Calls PollWatch Charges 'Unfair' *[BANGKOK POST 19 Aug]* 35
Chatchai-Chawalit Premiership Battle Turns Bitter *[THE NATION 19 Aug]* 36
Editorial on 'Race' Between Chatchai, Chawalit *[THE NATION 19 Aug]* 37
Wimon Threatens Lawsuit for Bombing Accusations *[THE NATION 19 Aug]* 38

Vietnam

Report on Visit of U.S. Student Delegation *[VNA]* 38
Prospects for Economic Ties With Russia Viewed *[Hanoi Radio]* 38
Nam Ha Party Organization Holds Eighth Congress *[Hanoi Radio]* 39
Hanoi Papers Mark August Revolution Anniversary *[VNA]* 40
Smallest Minorities Threatened With Disappearance *[AFP]* 40

AUSTRALASIA

Australia

Budget Deficit of U.S.$9.65 Billion Posted *[AFP]* 41
Budget Cuts Follow Security Agencies' 'Shake-Up' *[THE AUSTRALIAN 22 Jul]* 41
Diplomatic Missions in Asia Receive Budget Boost *[AFP]* 42
Government To Increase Aid to Southeast Asia *[Melbourne International]* 42

Fiji

Sole Indian Minister Resigns From Government *[AFP]* 42

Japan

Lawmakers To Take Views on Isles to Sakhalin

OW1908085592 Tokyo KYODO in English 0828 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—Four Japanese House of Representatives members will go to Sakhalin on Friday to explain Japan's stance on a Japan-Russia territorial dispute before President Boris Yeltsin visits Japan next month.

The four-member research mission led by Koko Sato, chairman of the Executive Council of the ruling Liberal Democratic Party (LDP), is expected to hold talks with leaders of the eastern Russian province and officials in charge of the four Russian-held islands off Hokkaido that Japan claims.

The Soviet Red Army seized the four islands from Japan at the end of World War II. Japan, demanding their return, has refused to sign a peace treaty with Moscow or supply full-scale financial aid.

Sato will convey Japan's willingness to be flexible on the timing and conditions of the transfer of the islands if Russia acknowledges Japanese sovereignty over them, LDP sources said.

They said he will also explain that Japan will grant permanent residence rights to Russian residents who want to stay on the islands and guarantee subsidies to those who want to move.

Sato told reporters he is sure the Russian Government has contacted Sakhalin authorities ahead of Yeltsin's mid-September trip and that his delegation wants to find out the Russian approach to the territorial issue.

The delegation will also include Yoshinobu Shimamura, chairman of the LDP's National Campaign Headquarters, Yoshiteru Uekusa, vice chairman of the LDP's Diet Policy Committee, and Hideko Ito of the Social Democratic Party.

World Court Hearing for Dispute Said Premature

OW1908123092 Tokyo KYODO in English 1049 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—Japan does not yet see a need to refer its territorial dispute with Russia to the International Court of Justice to facilitate a settlement, a top Foreign Ministry official said Wednesday.

"The government considers it appropriate to place priority on wrapping the issue up bilaterally in negotiations between Japan and Russia," the official told reporters on condition of anonymity.

He was speaking in the wake of reports from Moscow that Russia may propose that the court, situated in The Hague and also known as the World Court, be brought in to settle the protracted dispute over four islands off Hokkaido.

The islands, referred to in Japan as the "northern territories," were seized by the Soviet Army at the end of World War II.

Last Friday, the Russian newspaper IZVESTIYA quoted an unidentified Russian official as saying Moscow is planning to implement a 1956 pledge to return to Japan the two smaller islands, Shikotan and the Habomai islets, after concluding a peace treaty.

But the official reportedly said the fate of the larger two islands, Kunashiri and Etorofu, should be decided by the World Court if bilateral negotiations fail.

A similar suggestion was made in late May by Russian Foreign Ministry Spokesman Sergey Yastrzhembskiy and the idea is known to be espoused also by Russia's chief negotiator on the territorial issue, Deputy Foreign Minister Georgiy Kunadze.

The Japanese official said despite various media reports from Moscow, "I have not heard that it is the present view of the Russian Government or that the Russian Government is thinking along those lines."

He noted the UN charter states matters should be brought before the World Court only after attempts to resolve them through negotiations among the involved parties have been exhausted.

The official said in considering the progress made so far in Russo-Japanese negotiations on the territorial issue, it is unnecessary at this point to consider an international arbitrator.

In the 1970s, Japan did consider taking up the dispute with the court at a time when the then Soviet Union refused to even discuss the matter, he said.

The official did not comment on a possible role for the court if bilateral negotiations over Kunashiri and Etorofu become deadlocked.

Russian President Boris Yeltsin is widely expected during his September 13-16 visit to Tokyo to confirm the 1956 pledge on Shikotan and the Habomai group, which was revoked by Moscow in 1960.

Number of Illegal Chinese Immigrants Increasing

OW1908085692 Tokyo KYODO in English 0842 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—The number of Chinese immigrants arrested between March and July this year for trying to enter the country illegally is more than double the total for the whole of last year, the Immigration Bureau said Wednesday.

The bureau said there were nine incidents of illegal landings along the Pacific coast involving 269 Chinese from March to July, compared with four cases involving 111 Chinese in 1991.

There were five cases this July alone involving 208 illegal Chinese immigrants, it said.

Four of the ships involved were sailing under the Taiwanese flag, and four under the Chinese flag. They all started from China's southeast coastal province of Fujian and were bound for Japan's Pacific coast.

All the passengers but one came from Fujian and wanted to work in Japan, the bureau said.

Illegal Chinese immigrants have previously pretended to be Vietnamese boat people but are now backed by organized smuggling rings and shipbrokers both in China and Japan, who lead the immigrants ashore under cover of darkness, immigration bureau officials said.

To prevent further illegal immigration attempts the Justice Ministry has asked the Foreign Ministry to report the situation to the Chinese Government and seek its cooperation in quickly repatriating the immigrants.

Of the 269 Chinese immigrants between March and July, 208 are still undergoing investigation, 53 will be deported soon, and eight are under criminal investigation, the bureau said.

JETRO To Establish Office in PRC Province

OW1808114292 Tokyo KYODO in English 0943 GMT 18 Aug 92

[Text] Tokyo, Aug. 18 KYODO—The Japan External Trade Organization (JETRO) plans to open an office in Dalian, China's northeastern Liaoning Province, in October to service Japanese firms now actively investing in the city, JETRO officials said Tuesday.

With approval already obtained from the city authorities, JETRO will officially adopt the plan after consent is received from the Japanese Foreign Ministry, the official said.

JETRO already has offices in Beijing and Shanghai in China.

The Dalian office will back up business exchanges between Japan and not only Liaoning but also two other northeastern Chinese provinces—Jilin and Heilongjiang, the officials said.

It will also gather information on economic policy and activity in North Korea, which is now groping toward market reform and opening up. Of special interest will be development plans for the Tumen River Delta that encompasses Chinese, North Korean and Russian territories.

Investment in Dalian by Japanese companies has far exceeded that by firms from other countries so far, and an industrial complex to be jointly constructed there by Japanese and Chinese concerns from this autumn is expected to further spur Japanese investment, they said.

Fact-Finding Mission Leaves Bangkok for Tokyo

OW1908001792 Tokyo KYODO in English 2303 GMT 18 Aug 92

[Text] Bangkok, Aug. 18 KYODO—The Japanese Government's second-round fact-finding mission, which has been making preparations for the dispatch of Japanese peacekeeping forces to Cambodia, left Bangkok Tuesday night for Tokyo.

The 26-member delegation, mainly comprising Self-Defence Forces personnel, had conducted a weeklong inspection tour, beginning last Wednesday, on United Nations peacekeeping operations in Cambodia.

The mission surveyed highways Nos. 2 and 3 in southern Cambodia, where Japanese troops are expected to be sent to repair roads and bridges. The team has concluded that SDF troops will be able to accomplish repair work operations on the two highways.

Comprehensive Stock Market Package Unveiled

OW1808125692 Tokyo KYODO in English 1207 GMT 18 Aug 92

[Text] Tokyo, Aug. 18 KYODO—The Ministry of Finance on Tuesday unveiled a comprehensive package of measures to prop up the stock market, immediately drawing reaction mixing both welcome and discontent.

The support package was announced by Finance Minister Tsutomu Hata in a hurriedly called news conference Tuesday after the key Nikkei average on the Tokyo Stock Exchange plunged to a new six-year low of 14,309.41, down 620.14 points from Monday's close.

The package included a request to financial institutions to refrain from dumping stock holdings and the temporary suspension of a guideline setting the ceiling on the payout ratio to 40 percent of earnings. The ministry also gave permission for corporations to postpone a write off of losses on stock holdings until the fiscal year ends.

The step was aimed at preventing institutional investors from dumping their stock holdings ahead of the September 30 deadline for the closing of their midterm accounts.

Institutional investors such as banks and insurance companies tend to sell stocks in order to make capital gains before closing their books.

These institutions are being requested to let shareholders know of latent losses on stock holdings in their midterm financial reports, though they need not give a detailed accounting until fiscal year-end.

Financial institutions are urged to build up their net assets through new bond issues such as perpetual bonds.

The ministry also appealed to financial institutions to quickly formulate plans for the systematic disposal of bad loans made to housing finance firms and nonbanks.

The ministry said it will work out measures in cooperation with financial institutions for disposing of property held as collateral against bad loans.

Banking and securities industries showed a mixed reaction to the ministry package.

Tsuneo Wakai, chairman of the Japan Federation of Bankers' Associations, welcomed the package and said the banking industry will make an all-out effort to restore stability of the nation's financial system.

Some commercial banks, laden with bad loans, particularly welcomed the ministry's decision to allow them to defer reporting losses on stock holdings in midterm accounts.

But other banks expressed doubt that the ministry's decision will restore public confidence in the banking industry.

Officials at major commercial banks expressed disappointment at the package, which they said consisted of emergency makeshift measures.

Mieno Supports Latest Measures

OW1908091392 Tokyo KYODO in English 0729 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno Wednesday lent full support to the Finance Ministry's latest steps to rev up stocks and wipe out concerns about Japan's banking system, but denied that any additional thrust from the monetary front is in the offing.

Mieno told a press conference that the Finance Ministry's measures, announced Tuesday, are in line with the central bank's assessment about the conditions of the Japanese financial system, which he admitted is plagued by huge volumes of bad loans.

"The BOJ would like to give strong support" to the government and ministry in their handling of the matter, he said.

But the central banker brushed aside any near-term additional monetary easing.

Emphasizing that the BOJ has not changed its view on the economic health and the prospect for the recovery since issuing its quarterly report on economic and financial conditions last month, he said no relaxation of credit policy is on the policy schedule.

In Tuesday's package, the Finance Ministry said it will call on banks to restrain sales of stockholdings to realize gains to boost reported profits for the first half of the financial year, and will allow banks to put off reporting unrealized losses on shareholdings until the end of the fiscal year next March.

It is intended to allay the surging anxiety over the financial situation, which is writhing in the throes of the painful aftereffects of the bursting of the speculation bubbles in the late 1980s, which sent stock and property prices crashing from the stratosphere.

Mieno, at Wednesday's press conference, gave support to the ministry's decision to allow banks to forgo reporting stock-valuation losses for the midterm, and called a proposal that financial institutions embark on joint ventures to activate the dormant real estate market a "good idea."

"(The financial institutions in the private sector) should initiate the efforts immediately to boost the liquidity of land because that would help eradicate the concerns about the financial system," he said.

Mieno said he can support (in principle) the reported scheme to establish a joint company to buy up land plots that financial institutions hold as collateral for loans.

He added, however, the BOJ is not considering extending any loans to such companies, if it is established, claiming it is still a vague idea.

Mieno said the central bank also supports the government's plan to promote local governments' purchases of land held by financial institutions as collateral for swollen nonperforming loans for future public works projects.

Land prices have been tamed for the moment, he said, adding that the measures to boost the land market will not necessarily stem the decline of land prices.

The government plan will serve as an incentive to activate land transactions, he said.

Mieno called the latest rescue measures necessary and appropriate but stressed that Japan's financial system can surmount its current problems.

He said financial institutions are making serious efforts to restructure and are strong enough to weather the ordeal.

Mieno said there is a "good possibility of maintaining the stability of the financial system as a whole."

Responding to a question, Mieno said the Bank of Japan is not considering accepting stock as collateral for its lending, as it did in the 1965 stock market recession.

He said there are "some difficult problems" in taking stock as collateral that do not arise in the case of government bonds or prime discount bills.

Effort To Amortize Property Viewed

OW1908074892 Tokyo KYODO in English 0723 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—Bank of Japan Governor Yasushi Mieno pledged Wednesday the central bank will support financial institutions in their efforts to amortize property held as collateral against bad loans.

Mieno made the pledge at a news conference a day after the Finance Ministry unveiled a package of stock market-stimulating measures, including systematic liquidation of real estate held by financial institutions in the wake of the collapse of the bubble economy.

He said the central bank is seriously concerned about the impact of the stock market slump on the domestic economy.

The central bank gave strong backing to the Finance Ministry's financial policy, he said.

Mieno added, however, that financial institutions are bound by the primary responsibility to maintain a sound business performance.

He said the business foundation of Japanese banks is strong enough to overcome problems stemming from nonperforming loans.

Mieno said financial authorities would have little choice but to allow banks to postpone write-offs of valuation losses on stockholdings until the fiscal year-end next March.

He said the central bank has no immediate plan to further reduce the official discount rate or nudge down short-term interest rates.

Property-Buying Firm Planned

OW1908011592 Tokyo KYODO in English 2327 GMT 18 Aug 92

[Text] Tokyo, Aug. 19 KYODO—Japanese financial institutions, burdened by increasing nonperforming loans secured with real estate as collateral, are considering setting up a joint property-purchasing company to help amortize bad loans, banking industry sources said Wednesday.

Under the scheme, the financial institutions are expected to invest fresh money for the purchase of real estate owned by their nonbank affiliates, through the proposed company, to reduce their exposure to property-related loans, the sources said.

The financial insitutions include commercial banks and life insurance companies.

On Tuesday, Finance Minister Tsutomu Hata unveiled a package of emergency measures to prop up the stock market, including a recommendation that commercial banks set up a joint company to absorb properties held as security for their loans.

The finance minister cited huge nonperforming loans for properties, the values of which plunged in the wake of the bursting of the so-called bubble economy, as a major reason for the financial institutions' present weakness.

Details of the new property-buying company, including allocations of funds, will be worked out later, the sources said.

They said the government and the Bank of Japan are also studying extending loans to banks and other financial insitutions to restore the financial health of the banking system, if the planned firm is established jointly.

Repurchase of real estate from the new company by central and local governments for future public works projects will be one of the centerpieces of a package of pump-priming measures to be announced by Prime Minister Kiichi Miyazawa's cabinet late this month, the sources said.

Stock-Holding System Planned

OW1908092892 Tokyo KYODO in English 0855 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—The Ministry of Finance [MOF] will promote a system allowing workers to hold shares in their companies as a means to bolster the stock market, ministry officials said Wednesday.

The officials said the step will be incorporated in a package of emergency economic measures to be decided by the government later this month.

They said the ministry plans to revise the existing law in order to allow employees to purchase shares in their own companies more frequently instead of only once a month at present.

The ministry will also study the possibility of allowing companies to extend loans to employees to finance their stock purchases, the officials said.

The ministry will also consider whether to exempt taxes from share purchase funds reserved by workers, they said.

Careful consideration is being given to these measures in order to forestall possible insider trading, the officials said.

The ministry, meanwhile, said it will allow brokerage houses to delay write-off of evaluation losses on stockholdings in their accounts until the fiscal year-end, instead of at midterm.

A similar step was offered to financial institutions, such as banks, in a stock market-salvaging package unveiled by the ministry Tuesday.

Financial sources have predicted a substantial amount of stock investment losses for securities firms in their interim financial reports at the end of September.

Ministry officials said other corporations will also be advised to refrain from writing off investment losses in midterm reports.

Public Works Spending Rises in First Quarter

OW1908111592 Tokyo KYODO in English 0940 GMT 19 Aug 92

[Text] Tokyo, Aug. 19 KYODO—Japan's public works spending in the first quarter of fiscal 1992 rose 8.7 percent from a year earlier to a record 3,899.8 billion yen, the Construction Ministry said Wednesday.

The ministry attributed the brisk growth to the government's expedited spending on public works projects in the first half of the fiscal year, which began April 1.

Of the total for the three months through June, 1,020.8 billion yen was spent by the government, public corporations and agencies, up 17 percent from the same quarter a year before.

Local governments and other regional organizations spent 2,879 billion yen, up 6.1 percent, the ministry said.

Particularly noticeable was spending for construction of garbage disposal facilities, sewerage, and public parks.

Spending in the Kyushu region and Okinawa Prefecture shot up 27.7 percent, while that in central Japan jumped 26.1 percent.

But it fell 7.8 percent in Hokkaido and 6.8 percent in Shikoku, the ministry said.

North Korea

Opening of 'Focus Lens' Exercise Reported

SK1808120592 Pyongyang KCNA in English 1054 GMT 18 Aug 92

[Text] Pyongyang August 18 (KCNA)—The U.S. imperialists and the South Korean puppets started the aggressive "Focus Lens 92" joint military exercises aimed at invading the North, pushing the situation on the Korean peninsula to the brink of war, according to military sources.

Even according to doctored figures released by the South Korean puppets, the exercises which started on August 17 with an alert order will involve an estimated 14,000 U.S. imperialist aggression army soldiers including some 4,000 troops despatched from the United States and tens of thousands of puppet army troops.

And various types of warplanes, tanks, artillery pieces, armored vehicles and combat equipment including F-117 stealth fighter-bombers, Patriot missiles, E-3B command plane and extra-large carrier ranger which had been used by the U.S. imperialists during the Gulf war will be massively hurled into the manoeuvres.

The "Focus Lens 92" which raised the curtain with a scrupulous plan and preparations is an extremely dangerous war gamble aimed at gratifying their aggressive desire by a surprise preemptive strike at the northern half of Korea from the ground, sky and seas.

The war game will reportedly be held till August 30. On the first day an "alert order" was issued to the U.S. forces present in South Korea and puppet army units and the war exercises are getting frantic, inciting an atmosphere of bloody war across South Korea.

That the U.S. imperialists and the South Korean puppets started the aggressive "Focus Lens 92" despite unanimous condemnations by our people and the world's peaceloving people is a premeditated maneuver to threaten the North by "force," intentionally create obstacles in the way of the North-South dialogue and bring the situation on the Korean peninsula to the brink of war, and it is a deliberate military provocation designed to threaten and blackmail the South Korean people and students who rose in the righteous struggle for independence, democracy and reunification.

They must give up the foolish attempt to threaten the North with "strength" and promptly stop the aggressive "Focus Lens 92" joint military exercises that run counter to peace and reunification of Korea.

Foreign Ministry Spokesman's Statement

SK1908070192 Pyongyang Korean Central Broadcasting Network in Korean 0500 GMT 19 Aug 92

[Statement by DPRK Foreign Ministry spokesman issued in Pyongyang on 19 August—read by announcer]

[Text] The United States and the South Korean authorities are presently staging the provocative Ulchi-Focus Lens joint military exercise in South Korea.

Approximately 14,000 troops, including 4,000 troops from the U.S. mainland and U.S. troops in South Korea, are participating in this exercise. It was also learned that a large quantity of most modern offensive weapons, including Patriot missiles used in the Gulf war, F-117 Stealth combat fighter-bombers, and AWACs, are being mobilized.

Like the Team Spirit joint military exercise which has been staged in South Korea each year, the Ulchi-Focus Lens joint military exercise is an open military action against our Republic and a grave challenge to the entire Korean people who desire peace and reunification.

At a time when cold war between East and West has collapsed in international relations and the countries in Northeast Asia want reconciliation, the United States and the South Korean authorities are staging the large-scale Ulchi-Focus Lens exercise in South Korea. This is a premeditated act to curb the process of peace and detente on the Korean peninsula, dampen the progress of inter-Korean dialogue, and aggravate tension.

After the adoption and effectuation of the agreement on reconciliation, nonaggression, cooperation, and exchange and the joint declaration on denuclearization between the North and the South on the Korean peninsula, dialogue and negotiations are going on to implement them. In particular, the third pan-national rally and the second grand reunification festival of youth and students in North, South, and overseas were held successfully with August 15 as an occasion, with the result that the spirit of detente and reunification is mounting higher with the passage of time.

The peaceloving people of the world are hailing the favorable development of the situation on the Korean peninsula, which is moving toward detente.

The United States and the South Korean authorities, however, are going against the trend to detente and reunification by staging large-scale military exercises that raise grave obstacles to peace and stability on the Korean peninsula and North-South dialogue.

This behavior by the United States and the South Korean authorities totally contradicts the spirit of the agreement on reconciliation, nonaggression, cooperation and exchange between the North and the South.

Moreover, there cannot be any pretext for staging large-scale military exercises against the partner in dialogue at a time when different joint committees for the implementation of the North-South agreement have been formed and are to start their work before long. Nothing can justify this.

This fully illustrates that the United States and the South Korean authorities have no intention for peace on the Korean peninsula and North-South dialogue.

If the United States and the South Korean authorities intend to threaten anyone with strength and get something from this, they are making a big mistake.

If the United States truly wants peace and stability in the world, it must take a step toward reconciliation and detente on the Korean peninsula where distrust and confrontation are most acute and must refrain from obstructing North-South dialogue and reunification.

The South Korean authorities must not act as if they are devoid of independence, such as putting a spoke in the wheel of the implementation of the North-South agreement, by following foreign forces.

The United States and the South Korean authorities must act with discretion in conformity with the worldwide trend toward reconciliation and detente today.

19 August 1992

Pyongyang

Paper Denounces Exercise

SK1908055392 Pyongyang KCNA in English 0432 GMT 19 Aug 92

["NODONG SINMUN Hits at Focus Lens"—KCNA headline]

[Text] Pyongyang August 19 (KCNA)—NODONG SINMUN today denounces the United States and the South Korean authorities for having started the Focus Lens joint military training.

The news analyst says:

The Focus Lens is a war rehearsal for a surprise attack on the DPRK.

It is a deliberate and premeditated move to turn back the situation of the Korean peninsula favorably developing after the adoption and effectuation of the inter-Korean agreement and the joint declaration on denuclearization and frustrate the exchange of old parents' visiting groups and art troupes which had been arranged with so much difficulty.

For the United States and the South Korean authorities to have started the Focus Lens, a second Team Spirit, is an intolerable insult to the desire of the fellow countrymen for peace and reunification and a mockery of the separated families who are anxiously waiting for the day of reunion with the exchange of old parents' visiting groups ahead.

The joint military training clearly shows once again to the world that it is the U.S. imperialists who block the peace and reunification of the Korean nation and aggravate the tensions.

The perfidious acts of the South Korean authorities in madly playing with fire to do harm to fellow countrymen by bringing in outside forces will be cursed by the fellow countrymen down through generations.

The U.S. imperialists and the South Korean authorities must unconditionally and immediately stop the Focus Lens which threatens peace on the Korean peninsula and throws a dark shadow over the prospect of inter-Korean dialogue.

Japan Said To Seek Political, Military Power

SK1808120192 Pyongyang KCNA in English 1027 GMT 18 Aug 92

["What Is 'International Contribution' For?"—KCNA headline]

[Text] Pyongyang August 18 (KCNA)—NODONG SINMUN today accuses Japan of trying to gratify her desire for overseas expansion under the cloak of "international contribution" while seeking to turn herself into a political and military power commensurate with an economic power.

The so-called "U.N. PKO [Peacekeeping Organization] Law" legalizing the overseas dispatch of the Armed Forces of Japan was enacted in Japan last June under the cloak of "International Contribution" and came into effect on August 10. This opened the way for the "Self-Defence Forces" (SDF) to advance overseas.

The paper says in a signed article:

What Japan calls "international contribution" is a camouflage to conceal her move to dispatch her troops overseas. It is a rehashed version of old Japan's aggressive slogan "Peace in the East."

Taking advantage of the changed international situation in which the balance of forces has collapsed, Japan is accelerating the building of a military power and a nuclear power and intending to satisfy her expansionist desire by resorting to "strength". "International contribution" is what they hold forth in realizing this sinister scheme.

Recently, the boss of the Japan "ground SDF" said it is a crucial time for Japan to make a positive "contribution" to the international community and that "international contribution will be a major task of the SDF."

He can be said to have spoken for the wild ambition of the Japanese militarist forces.

Japan schemes to repeat the past under the new slogan "International contribution" in place of the aggressive slogan "Peace in the East."

Many people and mass media in Asia have warned that the overseas dispatch of the Armed Forces of Japan under the name of "international contribution" is a very dangerous act.

For Japan to take the road of military expansion under the cloak of "international contribution" is as good as committing a suicide.

Japanese Officials' Visit to Shrine Denounced

SK1908060092 Pyongyang KCNA in English 0428 GMT 19 Aug 92

["Spirit of Militarism Reviving"—KCNA headline]

[Text] Pyongyang August 19 (KCNA)—The collective visit of Japanese Cabinet ministers to the "Yasukuni Shrine" shows that the Japanese authorities have no intention to repent of and apologize for the past acts of aggression and reveals their design overtly to take the road of overseas aggression, following in the footsteps of the predecessors, says NODONG SINMUN today, and adds:

This is a challenge to the Asian people and a mockery of the world public urging Japan to adequately liquidate the past and not to repeat the history of aggression.

The news analyst says:

The Japanese ruling quarters have pulled their full weight on the buildup of strength over the past 47 years to realise their wild ambition, far from drawing a lesson from their defeat in World War II.

Japan is emerging again a dangerous force of aggression and war threatening the independence and peace of Asian countries.

The revival of the spirit of militarism in Japan must be checked and her troop dispatch overseas and nuclear armament be curbed. This is an urgent common task of the Asian and the world people who cherish peace.

Overseas aggression and war will lead Japan to self-destruction.

If the Japanese ruling quarters repeat the wrong past, forgetful of the lesson of history, they will meet a more woeful doom than their predecessors.

Former Comfort Women, Overseas Delegates Meet

SK1608090892 Pyongyang KCNA in English 0827 GMT 16 Aug 92

[Text] Pyongyang August 16 (KCNA)—Old women who had been drafted as "comfort women for the army" by the Japanese imperialist brutes in the past met with delegates of Koreans overseas to the 3rd pan-national rally and the 2nd grand reunification festival of youth and students at the People's Palace of Culture on August 14.

Present there were former "comfort women for the army," Yi Kyong-saeng residing in Wonchon-ri, Taedong County, Kim Tae-il in Haephyong-ri, Kaepung County, Kim Yong-sil in Sinjang-ri, Hyesan city, Yi Pok-nyo in the Kukdong workers settlement in Hwasong County, and delegates of Koreans overseas who came to participate in the rally and festival from different places of the world.

Yi Kyong-saeng, Kim Tae-il, Kim Yong-sil and Yi Pok-nyo spoke first on the occasion.

They are sufferers who had been forced into sex slavery after being taken as "comfort women for the army" by the Japanese imperialist brutes during their occupation of Korea. They cited concrete data and facts they experienced to expose the unheard-of brutal violations of human rights by the Japanese imperialists who trampled upon their blossoming youth and deprived many Korean women of their lives.

Charging that the present Japanese authorities are trying to hush up the despicable criminal acts of the Japanese imperialists, instead of clearly probing the truth behind them, they said the "comfort women" problem is not a matter confined to them but a matter of dignity of the Korean nation, a matter to be dealt with by all the fellow countrymen in concert.

Speaking at the meeting, Yom Sun-cha, a member of the delegation of Koreans in China affiliated with the National Alliance for the Country's Reunification (Pomminnyon), Ha Yang-hui, a member of the European regional delegation of Pomminnyon, and others said the sufferings and misfortunes of the Korean women in the past were a disgrace they suffered as a stateless nation. All the fellow countrymen in the North and the South and abroad should take joint action with one mind in the struggle to defend the national dignity and achieve the Reunification of the country as well as to settle the "comfort women" issue, they stressed.

Kim Tal-hyon Meets PRC Technology Delegation

SK1808123992 Pyongyang KCNA in English 1102 GMT 18 Aug 92

[Text] Pyongyang August 18 (KCNA)—Vice-Premier Kim Tal-hyon met and had a friendly talk with the Chinese Government scientific-technological cooperation delegation led by Li Xiaoshi, vice-chairman of the State Science and technology commission, at the Mansudae Assembly Hall today.

Present on the occasion were Kim Ung-ho, vice-chairman of the State Commission of Science and Technology, and Zheng Yi, Chinese ambassador to Korea.

Signs Meeting Protocol 18 Aug

SK1808123592 Pyongyang KCNA in English 1104 GMT 18 Aug 92

[Text] Pyongyang August 18 (KCNA)—A protocol of the 32nd meeting of the intergovernmental Scientific-Technological Cooperation Committee of the DPRK and the People's Republic of China was signed at the Mansudae Assembly Hall today.

Present at the signing ceremony on the Korean side were Vice-Premier Kim Tal-hyon, Kim Ung-ho, vice-chairman of the State Commission of Science and Technology, and other officials concerned and on the opposite side were the members of the Chinese Government scientific-technological cooperation delegation led by Li Xiaoshi, vice-chairman of the State Science and Technology Commission, and Zheng Yi, Chinese ambassador to Korea.

PRC Military Delegation, Other Groups Arrive

SK1708111592 Pyongyang KCNA in English 1039 GMT 17 Aug 92

[Text] Pyongyang August 17 (KCNA)—A friendship visiting group of the Chinese People's Liberation Army led by Song Qingwei, political commissar of the Jinan military area; a Ukrainian Government scientific and technological delegation led by Volodimir Parkhomenko, first deputy chairman of the Committee of Science and Technology; Giancarlo Elia Valori, secretary general of the Italian Institute of International Relations; and a delegation of Thammasat University of Thailand led by its Vice-Rector Phanom Aiumprayun, arrived here today.

An educational workers delegation of the General Association of Korean Residents in Japan (Chongnyon), an adult educational workers delegation of Chongnyon, an educational workers home-visiting group of Chongnyon, a Choson Sinbo workers home-visiting group of Chongnyon, a Korean student home-visiting group of Chongnyon and the 174th short-term home-visiting group of Koreans in Japan arrived in Wonsan Sunday.

CIS Journalist 'Maliciously Slandered' Nation

SK1808122892 Pyongyang KCNA in English 1043 GMT 18 Aug 92

["Folly of Mental Patient"—KCNA headline]

[Text] Pyongyang August 18 (KCNA)—Razarev, a reporter of the Russian paper KRASNAYA ZVEZDA, maliciously slandered the DPRK over the problem of "comfort women" for the Japanese imperialist army, according to a report.

In a recent article carried in the paper, Razarev extolled to the skies the position of the Japanese authorities, saying that they had completed an investigation into the problem of "comfort women for the army" and "officially apologized and repented of it" in the name of the government and expressed their "intention to settle" this issue at the DPRK-Japan talks. He abused the just position of the DPRK in demanding compensation to the Korean women who were subjected to indescribable sufferings by the Japanese imperialists as intended for "money making".

The balderdash of the mental patient is an unpardonable challenge to the Korean people and the world people who are condemning the inhuman crimes of Japanese imperialism, and a dirty act of selling human conscience and morality for a few pence.

As is known, the Japanese imperialists' atrocities against women of Korea and other Asian countries are being indicted worldwide as never-to-be-condoned shocking crimes. Voices demanding compensation are growing louder not only in Korea and other Asian countries but also in many countries of the world as well as in Japan.

The world denounces the indelible crimes of Japanese imperialism against humanity and demands that the Japanese Government faithfully and fully compensate to the victims, if it wants to atone for a thousandth of the crimes. Who can dare maliciously slander this just demand as intended for "money making"?

This kind of dirty act can be done only by such human scum as Razarev who is crazy about dollars.

As far as "investigation," "admission" and "apology" are concerned, they were made by the Japanese authorities in face of strong urge and pressure from the Korean people and the world people after they had doggedly denied the crimes of Japanese imperialism. The Japanese authorities are now trying to belittle the crimes at any cost.

Nevertheless, Razarev highly lauded the Japanese authorities, instead of calling them to task for their insincere "repentence" and "apology". He is no doubt a wretched venal journalist with a mental derangement.

The Korean people and the world people will never pardon the outcries of this crazy guy.

Steady Nonaligned Movement Development Urged

SK1808115592 Pyongyang KCNA in English 1013 GMT 18 Aug 92

["NODONG SINMUN Calls for Steady Development of Non-Aligned Movement"—KCNA headline]

[Text] Pyongyang August 18 (KCNA)—NODONG SINMUN Monday carried an article calling steadily for developing the Non-aligned Movement [NAM], in connection with the tenth summit conference of non-aligned nations slated in Jakarta in early September.

The world's progressive people hope that the forthcoming summit conference will mark an important occasion in further strengthening and developing the non-aligned movement to meet the requirements of the times, the paper noted, and went on: Heads of state and government and political and public figures of different countries are strongly calling for fresh development of the NAM against the imperialists' domination and intervention.

What is noticeable here is, above all, the assertion that NAM is still needed in the current change of international relations and should be constantly developed.

Some people say that there is no need for NAM to exist independently since some phases of detente were opened in the international relations in recent years.

This is aimed at checking its influence and enervating the movement.

Although there have been some signs of relaxation in the international relations, a fundamental change has not taken place in the overall international situation.

The imperialists loudly talking about "peace" and "detente", are stepping up arms buildup and war preparations and further intensifying domination and intervention in other countries.

In order to remove the danger of war and promote the people's cause of independence it is still necessary to enhance and strengthen the position and role of the NAM.

The historical mission of the NAM is to build a peaceful and independent, new world free from aggression and war, subjugation and inequality, where there exist no imperialism and dominationism of all forms.

The NAM should be continuously developed till this noble mission has been fully carried out.

The non-aligned countries should make every possible effort so that the 10th non-aligned summit conference may successfully carry out its work, so as to steadily develop the NAM in conformity with the requirement of the developing era and contribute to the common cause of mankind for stepping up the building of a new world, peaceful and independent.

N-S Political Subcommittee Fourth Meeting Held

SK1908111692 Pyongyang KCNA in English 1043 GMT 19 Aug 92

[Text] Panmunjom August 19 (KCNA)—The fourth contact of members of the Political Subcommittee of the North-South high-level talks was held at the conference room of the Neutral Nations Supervisory Commission here today.

At the end of the contact the member of the North side gave a news briefing.

According to him, the North side urged that if the South side truly intended to work out an annexed agreement before the 8th North-South high-level talks, it must not put the brake on the debate on the annexed agreement any longer by setting the "nuclear problem" as a precondition but promptly discontinue war exercises that spoil the atmosphere of the talks like the Focus Lens joint military exercises and South Korea-U.S. field maneuvers and refrain from acts of deadlocking the Red Cross working-level contacts intended for the exchange of old parents visiting groups.

The North side said the South side must not categorically negate the others proposal or stick to its unilateral argument after drawing a line between things of the sides in the debate on the annexed agreement, but make a bold decision, on the basis of the three principles of national reunification, to give up what is contradictory to the principles and accept what is in accord with them.

The sides entered into the discussion of the text of the annexed agreement, but failed to reach an agreement on fundamental matters of principle because of the South sides attitude of depending upon outside forces and seeking division.

They agreed to have the 7th meeting of the Political Subcommittee on August 28.

Kim Il-song Meets Pan-National Rally Participants

SK1908125692 Pyongyang KCNA in English 1032 GMT 19 Aug 92

[Text] Pyongyang August 19 (KCNA)—The great leader President Kim Il-song today received the participants in the Third Pan-National Rally [PNR], the Second Grand Reunification Festival of Youth and Students of the North and the South and overseas and the inaugural ceremony of the

Pan-National Federation of Youth and Students for the Country's Reunification (Pomchonghangnyon).

Present there were Yim Min-sik, secretary general of the national alliance for the country's reunification (Pomminnyon), So Man-sul, chairman of the headquarters of Koreans in Japan of Pomminnyon, Yang Tong-min, chairman of the Japan regional headquarters of Pomminnyon, Yang Un-sik, permanent chairman of the American headquarters of Pomminnyon, Choe Ki-hwan, acting chairman of the European regional headquarters of Pomminnyon, Chon Chung-nim and Kang Won-chin, co-chairmen of the Canadian regional headquarters of Pomminnyon, Yang Yong-tong, chairman of the headquarters of Koreans in China of Pomminnyon, Om Kyong-sim, vice-chairperson of the Commonwealth of Independent States regional headquarters of Pomminnyon, An Chong-su, chairman of the Australian regional headquarters of Pomminnyon, and chairman, vice-chairmen, director of secretariat and members of the Central Committee of overseas regional headquarters of Pomminnyon, chairman of the Central Standing Committee of the League of Korean Youth in Japan Pak Ku-ho and chairman of the South Korean youth league in Japan Kim Chang-o who are co-chairmen of the overseas headquarters of Pomchonghangnyon, and other chiefs of overseas youth organisations and pomchonghangnyon.

On hand were Chairman Yun Ki-pok and Vice-Chairmen Yo Yon-ku and Chon Kum-chol of the North sides headquarters of Pomminnyon, and Chairman of the Korean Students Committee Mun Kyong-tok, chairman of the North sides headquarters of Pomchonghangnyon.

On the occasion overseas Koreans presented a basket of flowers to President Kim Il-song and wished him good health and long life.

He hailed the success of the third PNR, the second grand reunification festival of youth and students of the North and the South and overseas and the inaugural ceremony of Pomchonghangnyon and had a cordial conversation with overseas Koreans in an atmosphere overflowing with compatriotic feelings.

President Kim Il-song gave a luncheon for them.

Daily Denounces South 'Ruler' as 'Hypocrite'

SK1608083092 Pyongyang KCNA in English 0807 GMT 16 Aug 92

["Empty Phrasemongering of Hypocrite"—KCNA headline]

[Text] Pyongyang, August 16 (KCNA)—The present South Korean ruler let loose a string of balderdash over "democratization" and "improvement of North-South relations" in his "address on the day of national liberation" on August 15.

Commenting on this, a NODONG SINMUN analyst today brands his outbursts as a brazen, empty wordplay made by a hypocrite aimed at refurbishing his dirty image after committing all sorts of anti-independence, anti-democracy, anti-peace and anti-reunification crimes with the approach of the "presidential elections" expected at the end of this year.

Loudmouthed as he was that day with regard to the "North-South relations" as if he were concerned for reunification, he mentioned not a word about fundamental problems related to reunification, the analyst says, adding:

If he were interested in reunification even a little, he should have broached questions of removing the obstacles they have laid in the way of the North-South agreement which came into effect and is now in the stage of implementation and of accelerating the national reunification.

Ignoring such important practical matters, however, he let out such fine-sounding, empty words as "opening" and "exchange."

This shows once again that they have not the least intention for reunification.

What should not be overlooked is that the South Korean ruler set our "nuclear issue" which poses no debatable problem as a prerequisite to the improvement of the North-South relations, saying "substantial progress in the North-South relations cannot be expected" unless the "suspicion of nuclear development" by the North is cleared. This proves that he is taking the lead in the treacherous act to bring the North-South relations back to the original state of confrontation before the adoption of the agreement by taking issue with our "nuclear problem."

The South Korean ruler's talk about the dispersed families issue is also a move to evade his responsibility, a clumsy claptrap tactics.

How can the South Korean authorities justify their criminal deed now, having disappointed all the fellow countrymen by bringing the exchange of old parents' visiting groups to the crisis of a failure?

As to the South Korean ruler's argument about North-South "exchange and cooperation," it is a preposterous, empty talk since they are attempting to block the implementation of the North-South agreement on the plea of our "nuclear problem."

If the South Korean authorities are truly interested in the improvement of North-South relations, national reconciliation, unity and reunification, they must stop engaging in empty phrasemongering, give up the outrageous "nuclear" row and take a sincere stand for the implementation of the North-South agreement.

South Korea

'Technomart' Planned To Acquire U.S. Technology

SK1808065392 Seoul YONHAP in English 0106 GMT 18 Aug 92

[Text] Seoul, Aug. 18 (OANA-YONHAP)—South Korea and the United States are to stage the first annual "Technomart" in Seoul next March to promote industrial technology cooperation, officials from the Trade and Industry Ministry said Tuesday.

Technomart, which is intended to bring together suppliers and buyers of technology, will cover aeronautics, semiconductors and other sophisticated areas.

It will begin with a week-long seminar and an exhibition of new technologies, followed by consultations between U.S. suppliers and South Korean buyers, the officials said.

Seoul and Washington agreed to hold the event annually as part of the Presidents' Economic Initiative (PEI), to be announced in September.

Aeronautics will cover joint development, manufacturing and sales of jet fighters, transporters, helicopters and civilian planes. The United States will handle the finances, marketing and engineering details, while South Korea will manufacture parts and provide assembly lines.

Korea ultimately hopes to participate in research on next-generation aviation and space exploration, they said.

The United States is expected to provide financing, marketing and engineering for industrial facilities such as power stations, steel mills and cement factories while Korea is in charge of material supply and construction.

Korea wants partnership in major plant construction projects in each other's country as well as joint entry in third countries.

For semiconductors, Seoul emphasizes joint development of 16 mega D-RAM [dynamic random access memory] and 64 mega D-RAM with the help of U.S. technology.

Ministry officials hope Technomart will end Korea's technology dependence on Japan with wider imports from the United States. Technology imports were limited to a few sources due to lack of information and know-how on what was available, they said, and Technomart should provide the necessary meeting place between those willing to sell and buy.

A working subcommittee on technology established under the Korea- U.S. Economic Consultation will meet within the year to set the date for Technomart.

Ministry Says Banks To Open Offices in Beijing

SK1808083892 Seoul YONHAP in English 0047 GMT 18 Aug 92

[Text] Seoul, Aug. 18 (YONHAP)—The state-invested Export and Import Bank and the Korea Development Bank (KDB), joined by the Commercial Bank of Korea, are to open Beijing offices this year, the Finance Ministry said Tuesday. The Korea Exchange Bank opened an office in Beijing on July 10.

With the go-ahead from the Korean Government in their pockets and in the process of being approved by China, these banks are expected to be in Beijing by the year-end.

The Export and Import Bank has a representative office in Moscow and KDB has one in Hungary, giving them an understanding of business practices in communist nations, a ministry spokesman said.

The commercial bank is also keen to attain office in China's commercial nucleus, Shanghai.

An increasing number of commercial banks are showing interest in investment in former and current communist countries, the official said.

Cho Hung Bank has set up an office in Moscow and Korea First Bank is working toward a joint-venture with a Vietnamese bank.

Two-way trade between Korea and China amounts to more than 5 billion U.S. dollars, and financial backing for the growing inter-business makes China advancement by banks necessary, the official said.

The Central People's Bank of China will open a Seoul office in one or two months.

Trade Deficit With Japan Decreases by 17 Percent

SK1908083192 Seoul YONHAP in English 0551 GMT 19 Aug 92

[Text] Seoul, Aug. 19 (YONHAP)—South Korea's trade deficit with Japan amounted to 3,988 million U.S. dollars in January-July, down 17 percent from 4.8 billion dollars in the same period last year, the Korea Trade Promotion Corp. (KOTRA) said Wednesday, quoting trade statistics from the Japanese exchequer.

Imports and exports amounted to 10,545 million dollars and 6,557 million dollars, respectively, as of July.

July also saw the trade defict narrow 169 million dollars from 4,157 million dollars in June, KOTRA officials said.

Meanwhile, other newly industrialized economies (NIEs) in Asia—Taiwan, Hong Kong, and Singapore—continue to chalk up red figures in trade with Japan.

Taiwan recorded the highest loss of 6.159 billion dollars, up 34.8 percent from last year, while Hong Kong and Singapore ran up 27.8-percent and 2-percent increases, respectively, in their trade deficits with Japan.

CIS Defaults on Former USSR Interest Payment

SK1908074192 Seoul THE KOREA HERALD in English 19 Aug 92 p 8

[Text] The Commonwealth of Independent States has defaulted on payments of $41.5 million in interest on commercial and tied loans to the erstwhile Soviet Union, the Ministry of Finance said yesterday.

In a Seoul meeting with Korea last month, the CIS promised to take over old Soviet loans and present a timetable for payment or defaulted interest. But the schedule has yet to be presented.

Seoul To Support Mexico for APEC Membership

SK1908045392 Seoul YONHAP in English 0052 GMT 19 Aug 92

[Text] Seoul, Aug. 19 (OANA-YONHAP)—South Korea will strongly support Mexico's membership in the Asia-Pacific Economic Cooperation (APEC) at a ministerial conference next month, Foreign Ministry officials said Wednesday.

With the conclusion of the North American Free Trade Agreement (NAFTA), Korea hopes to include Mexico, the only country in the tripartite agreement that is not yet a member of APEC, the officials said.

The ministerial conference, opening in Bangkok Sept. 10-11, will most likely deal with the regional economic impact from NAFTA and necessary countermeasures.

APEC is made up of the six members of the Association of Southeast Asian Nations (ASEAN)—Brunei, Indonesia, Malaysia, the Philippines, Thailand, Singapore—as well as the United States, Japan, China, Taiwan, Hong Kong, Australia, Canada, New Zealand and South Korea.

Mexico had long hoped to join the barely four-year-old APEC, but until last year was opposed by original members who were concerned that Mexico's entry would invite more countries to apply, making APEC too big, too fast.

"The emergence of NAFTA has changed the thinking since last year, and chances are high that APEC will accept Mexico at the Bangkok meeting, in which case Mexico will be able to attend the ministerial conference from the Washington session in 1993," an official said.

"APEC is also growing in internal structure, such as establishment of a permanent secretariat," he said.

Four countries are vying to house the APEC secretariat—Korea, Japan, Thailand, and Indonesia. A decision on the location is due at the Bangkok session.

Political Subcommittee Contact Held in Panmunjom

SK1908041992 Seoul KBS-1 Radio Network in Korean 0300 GMT 19 Aug 92

[Text] The fourth contact between members of the North-South Political Subcommittee is being held at Panmunjom, where the two sides are finalizing the drafts on subjects on which they have nearly reached agreement: the text of the annexed agreement and prohibition of personal slander of certain persons.

The North and the South are also discussing the civilian press as part of the ban on slander and the issue of parties concerned with concluding the peace cooperation agreement.

In particular, our side maintained that the general provisions, which stipulate the scope of special relations between the North and the South in the pursuit of reunification, should be included in the annexed agreement. However, the North side opposed this.

Members Agree on Auxiliary Pact Wording

SK1908091192 Seoul YONHAP in English 0857 GMT 19 Aug 92

[Text] Seoul, Aug. 19 (YONHAP)—South and North Korean officials, meeting at Panmunjom, agreed Wednesday on the wording of four articles of the proposed auxiliary agreement on reconciliation.

Members of the Political Subcommittee of the South-North prime ministers talks were meeting for their fourth contact in the conference room of the Neutral Nations Supervisory Commission.

The four articles agreed on are on halting mutual slander at international forums: respect for the basic South-North agreement and the joint declaration on denuclearization for the transfer of the state of armistice into one of peace: holding necessary consultations in places where both sides maintain diplomatic missions: and protection of the rights and interests of Korean residents abroad.

They failed, however, to narrow differences on more pivotal issues like whether to make the private media organizations subject to the prohibition on mutual slander and who should be party to a peace agreement to replace the Military Armistice Agreement.

They agreed to refer the unsettled issues to the seventh meeting of the Political Subcommittee Aug. 28 at Peace House in the truce village.

At the three previous contacts, the two sides agreed on the preamble of the auxiliary pact and on the titles of its chapters as well as on the prohibition of name-calling against specific characters of the two sides.

The South and the North plan to wind up their discussion of the proposed agreement in time for its adoption at the eighth prime ministers meeting, slated for Sept. 15 in Pyongyang.

Government To Allow Some Contacts With North

SK1908063492 Seoul HANGUK ILBO in Korean 19 Aug 92 p 2

[Text] Of the three phases of the government permits for economic cooperation with North Korea, which have been shelved because of North Korea's nuclear issue, the government has decided that it will give permission for the first and second phases, which include applications for contact with North Koreans to discuss economic cooperation and the government's approval of those [South Korean] business firms that have applied for economic cooperation projects with North Korea, it was learned on 18 August.

However, the government has decided to adhere to its policy of shelving the third phase until North Korea's nuclear issue is settled. The third and final phase is to approve business firms' economic cooperation projects with North Korea.

This government decision is aimed at inducing North Korea to show sincerity in solving the nuclear issue by taking advantage of these three phases of the government's permits for the North-South economic cooperation.

In addition, the government held a meeting presided over by Prime Minister Chong Won-sik at the Office of North-South Dialogue Secretariat in Samchong-tong, Seoul, to work out measures for the upcoming eighth round of North-South high-level talks slated for 15-18 September in Pyongyang.

Businessmen To Visit North To Help 'Moderates'

SK1608063392 Seoul SEOUL SINMUN in Korean 16 Aug 92 p 1

[Text] The government is planning to push ahead with the visit to the North by Choe Kak-kyu, deputy prime minister, and by the Nampo survey team as soon as the North sends the invitation. At the same time, the government is favorably considering allowing industrialists to meet North Korean residents for North-South business cooperation, which has been suspended since last March.

This decision of the government's is the result of its policy to help strengthen the position of the North Korean faction in favor of openness and reform to induce North Korea to open itself. The government thinks that there are conflicts between the moderates and hardliners in North Korea over the direction of the North's policy toward the South.

A high-ranking government source on 15 August said: "A typical instance of these conflicts is North Korea's recent action to disallow the exchange of the separated families' elderly parents visiting groups. This reflects the conflict over the policy toward the South between the moderates, including Vice Premier Kim Tal-hyon who had come to Seoul to discuss North-South economic cooperation, and the hardliners, headed by Yun Ki-pok, secretary of the party Central Committee in charge of southward strategy and operations." He said that the government, based on this analysis, has decided to push ahead with a more positive policy toward the North so that the conflicts in North Korea may be settled in a direction favorable to the improvement of North-South relations.

The government source said: As for the government's policy of "no practical progress in North-South relations without the solution of the nuclear issue," this does not mean that the government intends to block the discussion of North-South economic cooperation itself at its source, but it means that the government will withhold the actual implementation of economic cooperation, linking it with the solution of the nuclear issue. Therefore, the government will allow the Nampo survey team to visit the North and the industrialists to contact the North Korean residents for the purpose of discussing joint ventures.

Minister on Significance of Kim Tal-hyon Visit

SK1908024892 Seoul YONHAP in English 0700 GMT 18 Aug 92

[Text] Seoul, Aug. 18 (YONHAP)—North Korean Deputy Premier Kim Tal-hyon's visit to Seoul July 19-25 proved that the North was changing its strategy of blocking improvement in inter-Korean relations, South Korean Vice Unification Minister Yim Tong-won said Tuesday.

"Kim, who is in charge of economic planning, saw the South Korean economy at first hand, breaking away from North Korea's practice of viewing it as a dependent economy of a colonized nation," Yim told a symposium on Korean unification.

The vice minister said in his keynote speech that Kim's visit to Seoul was aimed at grasping an opportunity to formally recognise the South's economic achievement and seek cooperation.

Yim said he was optimistic for normalization of inter-Korean relations through high-level talks in view of the North's urgent need for substantial economic cooperation.

Stressing the need to remain watchful against the voices of North Korean hardliners "persistently noticed" in inter-Korean dialogue such as high-level talks, Yim said North Korean calls for the withdrawal of the U.S. troops from South Korea and repeal of the National Security Law could never be realized unless the North renounced its policy of "liberating the South."

Problems Mount Due to 'Hamstrung' Assembly

SK1908082992 Seoul YONHAP in English 0537 GMT 19 Aug 92

[Text] Seoul, Aug. 19 (YONHAP)—While the ruling and opposition parties squabble over the timing of local elections and other issues, the number of social and economic problems across the nation is mounting due to a hamstrung National Assembly.

Since adjournment of the last regular session on Dec. 18, 1991, the nation's unicameral legislature has been idled for nearly eight months.

The National Assembly has attempted to hold two extraordinary sessions since it was inaugurated on May 29, but all it managed to do was elect a speaker and vice speakers of the Assembly and to approve three government appointees.

Everything else, including urgent pending legislation aimed at easing people's lives as well as measures to prop up the stock market and nation's sagging economy, was shelved in the wake of a seemingly unending fight over when and how to elect the nation's president and the chiefs of local governing bodies.

Uncompromising and politically unsophisticated lawmakers went around in circles, repeating the line of their political party.

First, the ruling Democratic Liberal Party [DLP] and the government unilaterally decided to postpone elections of provincial governors and large city mayors to beyond 1992. They cited the economic burden on the country as the reason for their action.

The opposition parties insist that the local elections be held this year, together with the presidential election, at any cost. The local elections are needed, they say, to insure, among other things, a clean and fair presidential election.

The opposition parties refused to attend the National Assembly unless the DLP and government agreed to hold at least a portion of the local elections.

That is the heart of the problem that put a brake on efforts to normalize the National Assembly.

Pending before the National Assembly are 18 pieces of legislation—nine drafted by the government and nine tabled by legislators. In addition, there are five resolutions waiting to be approved by the Assembly and eight people's petitions for a total of 31 items.

One of the most important pieces of legislation is a proposed law exempting sons of fishing and agricultural families from military service. Thousands of young men are being denied the benefits of the legislation.

Separate legislation calling for the revitalization of the country's fisheries and agricultural industries was practically abandoned despite the fact that it was urgently drafted in order to cope with international pressure to liberalize Korea's farm market in the wake of the Uruguay Round of trade negotiations.

Other pending items include legislation on real estate transactions, protection of information and additional punishment for perpetrators of sex crimes.

Additionally, the government has tabled the law for the promotion of small- and medium-size businesses and environment protection legislation to lower air, water and noise pollution.

Assembly Political Committee Forms Subcommittees

SK1808093692 Seoul YONHAP in English 0752 GMT 18 Aug 92

[Text] Seoul, Aug. 18 (YONHAP)—The National Assembly special Political Committee formed three subcommittees Tuesday to discuss measures to reform the local autonomy law, the presidential election law and the political fund law.

Leaders of the ruling Democratic Liberal Party [DLP] and the two opposition parties, meanwhile, attended inaugurations of local chapters of their parties, in effect launching their campaigns for the presidential election, scheduled for mid-December.

Presidential candidates Kim Yong-sam of the DLP, Kim Tae-chung of the Democratic Party and Chong Chu-yong of the Unification National Party [UNP—officially renamed United People's Party] will participate in rallies and organizational meetings until Sept. 14, when the National Assembly's regular session is scheduled to open.

The three subcommittees plan to work out revision bills in their respective fields by the end of August. But chances of success are bleak as the method of adopting resolutions by the special committee is a unanimous vote.

Especially, the subcommittee on the local autonomy law is expected to experience rough sailing since the DLP and opposition are far apart with regard to the method and timing of local elections.

At the first session Tuesday, the ruling party reaffirmed its position that the nation cannot afford to hold local elections this year. It will hold local elections, however, if the nation's economic conditions permit, but the timing will be up to the next president of the country to decide.

Against this, the opposition Democratic and Unification National Parties demanded the government hold this year either elections of provincial governors and big city mayors or of chiefs of counties and wards and mayors of smaller cities.

The subcommittee on presidential election law revision discussed lowering the voting age, banning government officials from campaigns and larger use of the public media by presidential candidates.

The DLP expressed the hope to keep the present voting age of 20 years and above, while the Unification National Party argued to lower it to 19 and the Democratic Party to 18. As for the period of official campaigning, the DLP suggested that it be reduced to 21 days whereas the opposition parties demanded it stay at 30 days.

Over at the subcommittee on political fund law revision, the DLP proposed to keep contributions to political parties by the national treasury at the present 600 won a voter, plus 900 won in each and every election, while the opposition parties sought to increase the amount to 1,000 won, plus another 1,000 won in each and every election.

Parties 'Poles Apart' in Subcommittees

SK1908083092 Seoul YONHAP in English 0624 GMT 19 Aug 92

[Text] Seoul, Aug. 19 (YONHAP)—The National Assembly's special Political Committee held the first full sessions of its three subcommittees Wednesday, only to find the ruling and opposition parties poles apart on every issue.

The subcommittee on local elections, chaired by Kim Pong-ho of the Democratic Party, failed to bring the two sides a step closer to each other over the timing of the local elections, the issue that precipitated the current political crisis.

The subcommittee was divided along party lines even on procedural matters.

Members of the ruling party repeated the DLP [Democratic Liberal Party] position that the nation cannot afford to hold local elections and demanded that the panel discuss problems based on the government's revised bill calling for a postponement of local elections beyond 1992.

Members of the main opposition Democratic Party and the Unification National Party [UNP—officially renamed United People's Party], on the other hand, insisted either elections of provincial governors and big city mayors or chiefs of county and wards and other smaller local governing bodies be held this year.

In a related development, Kim Tae-chung, presidential candidate of the democratic party, urged the ruling party and government to hold the local elections this year.

Talking to reporters in Muju, North Cholla Province, Kim said Wednesday the nation was on the verge of bankruptcy not only in its economy but in every field. The ruling party and government should take responsibility for the crisis, he said.

The special committee's subcommittee on reforms on the presidential election law, chaired by Yi In-chae of the DLP, fared a little better. It decided to discuss proposals for amendment to the presidential election law tabled by each party and the central election management committee.

The proposals included a call for lowering the voting age, banning government officials' participation in election campaigns and punishment for violators, and the official campaign period.

The subcommittee on political funds, headed by Sin Ki-ha of the DP, had heated discussions over the issue of raising the amount of political funds provided by the national treasury.

In separate development, the ruling Democratic Liberal Party was said to have decided to name co-chairman Pak Tae-chun as chairman of the election campaign committee, and Rep. Kim Yun-hwan as director of the DLP's election campaign headquarters.

According to a reliable source, the decision on the appointments was made after the party decided to name co-chairman Kim Chong-pil as executive chairman, replacing Kim Yong-sam at a central standing committee meeting later in August when Kim Yong-sam is to take over the party presidency from President No Tae-u.

Elsewhere, the ruling party began to exert all its efforts to persuade independent lawmakers into the party in the wake of an announcement by Rep. Yi Chong-chan to leave the DLP to form a new party. At least two other members—O Yu-pang and Yi Yong-il—have said they will also leave the party.

Opposition Leader Approves of New Party

SK1908070792 Seoul THE KOREA TIMES in English 19 Aug 92 p 2

[Text] Pak Chan-chong, presidential candidate of the splinter opposition New Party for Political Reform, yesterday revealed affirmative response to the move for founding a new party initiated by Yi Chong-chan and Han Yong-su.

Pak, who was in Los Angeles to raise political funds, told a press conference he would like to see a significant new party move.

"Domestic politics should be reorganized toward a total new dimension, that is, politicians should rally support behind a new force opposed to the two Kims, Kim Yong-sam and Kim Tae-chung, on the occasion of the two lawmakers' leaving their respective parties to found a new one," Pak said.

"For fundamental political reforms, young and progressive persons should take the lead," Pak stressed.

Pak, an independent minded politician, was learned to have met with those promoting the new party.

Meanwhile, a group of independent lawmakers belonging to the "Independents' Fraternity" led by Chong Ho-yong who is also promoting the new party decided to adopt a "wait and see" attitude until tangible results emerge in connection with the new party move.

Reps. Song Mu-yong, Kang Chang-hui and Kim Ho-il gathered at a National Assembly building to discuss their future course of action. After the meeting, they announced that they would join the new party should it prove to be one with a wide range of support from the people.

DLP Tries To Prevent Defections to New Party

SK1908063992 Seoul THE KOREA TIMES in English 19 Aug 92 p 2

[Text] Ruling party leaders are busy mending fences to prevent lawmakers from crossing over to join the new party now being promoted by Rep. Yi Chong-chan who unsuccessfully sought the party's presidential nomination.

Soon after his announcement to leave the Democratic Liberal Party [DLP] to form a new one, party leaders at first played down the possible impacts his move would have.

However, they reversed their stance believing it can deal a serious blow if no proper action is taken. They fear the possibility of independent stalwart Rep. Chong Ho-yong joining Rep. Yi.

At present, it is uncertain whether Rep. Chong will join the new group or not. But he said he supports Rep. Yi's cause to create a new political order by ending the era of the two Kims, Kim Yong-sam and Kim Tae-chung. At present efforts are being made to entice Rep. Chong at all costs.

Besides this, the ruling camp leaders are persuading lawmakers close to Rep. Yi into staying within the ruling party fold. The lawmakers include Chang Kyong-u, Pak Myong-hwan and Pak Pum-chin, all of whom sided with Rep. Yi in his quest for the DLP presidential nomination.

Minister Seeks Ways To Re-Energize Stock Market

SK1808085392 Seoul YONHAP in English 0306 GMT 18 Aug 92

[Text] Seoul, Aug. 18 (YONHAP)—The Finance Minister met with the heads of financial, securities and insurance affairs Tuesday to work out ways of reinvigorating the stock market.

Finance Minister Yi Yong-man ordered ways to be found to expand stock purchases by institutional investors such as insurance and investment trust firms and to require pension funds to buy shares.

In a related development, deputy Prime Minister Choe Kak-kyu met with Yi to discuss measures to boost the stock market. The top economic ministers were known to have agreed on the need for the government to promptly step in to bail out the sagging market.

The ministry was weighing a rise in the total money supply growth rate of 1 percentage point this month, suspending the compulsory underwriting by banks and insurance companies of central bank monetary bonds so they can buy stocks with their money, an official said.

The ministry is pushing to temporarily stop absorbing the money in circulation through repurchase agreements, he said.

The circulation of stock market stabilization bonds, the waiver of inheritance taxes for long-term holders of stocks, the issuance of stocks with a split face value, tax benefits for small investors and enlargement of the stock market stabilization fund were being considered by the ministry, he said.

The government is to announce perk-up measures after reviewing all these ideas at a meeting of concerned ministers, including the economic planning minister, the governor of the Central Bank, and the senior presidential secretary for economic affairs.

Candidates Suggest Solutions to Stock Market Slump

SK1908045892 Seoul THE KOREA HERALD in English 19 Aug 92 p 2

[By staff reporter Kim Chong-chan]

[Text] Amid fears of a Seoul stock market crash, the ruling Democratic Liberal Party [DLP] yesterday urged the government to take steps to bail out the sluggish bourse as soon as possible.

Opposition parties, on the other hand, censured the government's mishandling of the stock market and other economic policy failures.

Kim Yong-sam, the ruling party's presidential candidate and executive chairman, called on the government to come up with various measures to shore up the stock market, Han Yi-hon, Kim's economic aide, told reporters.

Kim issued the appeal during his visit to Munkyong, a coal-mining town in North Kyongsang Province. He went there to address a reorganization rally of the party's Munkyong-Chomchon district chapter.

Kim was quoted as saying that "drawing up long-term steps to reinvigorate the Seoul bourse is deemed important. But now is time to consider measures designed to resolve the pressing questions of the day."

The DLP leader said the stock market "supplies blood to the national economy," according to Han.

In Seoul, Hwang In-song, the government party's chief policy-maker, said his party may press hard for lower bank interest rates to help boost the stock market.

Another party official suggested that the total money supply this year be increased by 19 percent over the last year, compared with the projected 18.5 percent.

The official also proposed that institutional investors buy a certain number of stocks.

In the meantime, Kim Tae-chung, co-leader and presidential candidate of the main opposition Democratic Party [DP], asserted that the Korean economy could post a composite stock price index of 600 to 700 points.

Speaking at a Presbyterian meeting at a hotel in the ancient city of Kyongju, Kim, a Catholic, attributed the sagging stock market to an absence of economic reform, political turmoil caused by power strife in the ruling party and a lame duck presidency resulting from the early nomination of Kim Yong-sam as the government party's presidential candidate.

To revive the Seoul bourse, Kim said, a transfer of power which will set sound and reformative economic policies in motion is badly needed.

The DP leader demanded that comprehensive steps be taken to prevent the collapse of the bourse. For instance, Kim said, the government should bail out many small businesses. An increasing number of small companies have gone bankrupt, undermining the foundation of the national economy, Kim said.

Besides, Kim said, workers should be encouraged to work harder to revitalize the economy.

Chong Chu-yong who heads the United People's Party also attacked the stock market slump and other government economic policy failures.

Addressing a rally to reorganize a local party chapter in Inchon, Chong called for drastic steps to resolve stock market troubles.

Chong, founder of Hyundai Group, promised that he, if elected president, would run the national economy based on his wide business experience.

The government has often announced steps aimed at reinvigorating the stock market, but they have yielded few positive results.

On Monday, stock prices plunged 16.77 points to 462.13, the lowest in four years and eight months.

Analysts attributed the plunge to negative domestic political factors, listed Korean companies' extremely poor business performance in the first six months of this year, the rumored attack on Iraq by the United States and its allies and the recently announced North American Free Trade Agreement.

Based on the news that the government may come up with steps to bail out the stock market, the composite index rebounded slightly yesterday.

Planning Board Favors Increasing 1993 Budget

SK1808070492 Seoul YONHAP in English 0636 GMT 18 Aug 92

[Text] Seoul, Aug. 18 (YONHAP)—The Economic Planning Board [EPB] will propose a 1993 budget of 38 trillion won (48.04 billion U.S. dollars), up 14 percent from this year, to President No Tae-u on Thursday [20 August].

EPB will hold consultations on the budget draft with the ruling Democratic Liberal Party next week.

The EPB originally intended to draw up a budget of 37.5 trillion won, a 13-percent increase, but decided to boost spending on urgent projects as the Finance Ministry predicted the revenue would increase 14 percent to 15 percent next year, officials said.

"The government had planned for the budget to grow 13 percent, but with the prospects for revenue increase we decided to expand it 14 percent to 14.5 percent to maximize financial distribution to urgent projects such as roads, harbors and the restructuring of the farming and fishing industries," one EPB official said.

The 1993 budget will jump 4.8 trillion won from 33.2 trillion won (41.97 billion dollars) this year. The ruling party had asked for an increase of 15 percent.

The official said that the EPB reduced ordinary expenditure to maximize the efficient distribution of money, froze pay of public employees and restricted the growth of defense costs to single digits.

The proposal could be amended when Economic Planning Minister Choe Kak-kyu delivered it to No, he said. Choe will outline his budget to Prime Minister Chong Won-sik Wednesday.

Nation Rated 9th Largest Nuclear Power Producer

SK1908061692 Seoul THE KOREA TIMES in English 19 Aug 92 p 2

[Text] Korea's nuclear power production was rated as the world's ninth largest.

According to recent data released by the International Atomic Energy Agency (IAEA), Korea produced 53.5 billion KWh of electricity last year through its 9 nuclear power plants in operation and ranked ninth in the volume of nuclear power generation.

The data showed that the United States placed first with power production of about 610 billion KWh at its 111 atomic power units.

The U.S. was followed by France, which produced 314 billion KWh at 56 plants, and the former Soviet Union whose production amounted to 212 billion KWh at 45 units.

Japan placed fourth with production of 200 billion KWh (42 units), followed by Germany (140 billion KWh, 21 units) and Canada (80 billion KWh, 20 units).

Next came Sweden whose production amounted to 73.5 billion KWh 12 units and Britain (62 billion KWh, 37 units).

Nuclear power accounted for 47.5 percent of Korea's total electricity generation last year, the world's fifth highest rate.

France's share of nuclear power production placed first at 72.7 percent, followed by Belgium (59.3 percent), Sweden (51.6 percent) and Hungary (48.4 percent).

IAEA said as of the end of last year a total of 420 nuclear power plants were in operation around the world producing more than two trillion KWh.

And 76 nuclear units, including Korea's three, were under construction.

Nation To Shed World Bank Loan Recipient Status

SK1908061592 Seoul THE KOREA TIMES in English 19 Aug 92 p 10

[Text] The Ministry of Finance [MOF] said that Korea will shed its loan recipient status from the International Bank for Reconstruction and Development [IBRD] by 1995.

Between 1992 and 1995, the government will borrow 300-400 million dollars annually from the IBRD, also known as the World Bank, it said.

From 1995, Korea will no longer borrow loans from foreign multilateral financial institutions and its public sector loans will be fully repaid by 2010-2015, an MOF official said.

But he added that Korea may continue to seek IBRD loans after 1995 if its macroeconomic situation does not improve.

Korea graduated from the loan recipient status of the Asian Development Bank in 1988, and Japan's Overseas Economic Cooperation Fund in 1990.

The country's public loans amounted to 8,300 million dollars on an outstanding basis at the end of June, accounting for 20 percent of the nation's total foreign debts amounting to 41.5 billion dollars.

The government signed 465 agreements to borrow 25.4 billion dollars from multilateral financial institutions, including the World Bank at the end of June. Out of the total, the government withdrew 21.6 billion dollars and has repaid 13.3 billion dollars so far.

DP Protests 'Excessive' Force Against Students

SK1908064192 Seoul THE KOREA HERALD in English 19 Aug 92 p 2

[Text] The main opposition Democratic Party [DP] yesterday protested that the measures police used to quell a recent wave of student demonstrations were excessive.

The party protested the destruction of school facilities when riot police stormed into Chungang University in Seoul to stop preparations for a massive rally by students and dissidents.

Residents around the campus were also subjected to police violence as riot police searched homes for escaping demonstrators, the party said in a statement.

A group of DP officials visited the Seoul metropolitan police headquarters yesterday to file a protest and demand that the government pay for damages to the university, estimated at 30 million won ($38,500).

The party said it had carried out a field inspection of the campus and the neighboring residential area to collect evidence of excessive police force.

The antigovernment rally, the largest in recent months, was timed to coincide with the 47th anniversary of the nation's liberation from Japanese colonial rule Aug. 15, 1945.

Despite a massive police crackdown, student activists and dissidents pushed ahead with the rally as scheduled, changing the rally site from Chungang University to Seoul National University. The demonstrators demanded early national reunification.

In an attempt to prevent the rally, riot police squads advanced into several Seoul campuses where radical students were gathered and arrested students and confiscated related materials.

In one incident hundreds of riot police invaded Seoul's main railway station, firing tear gas to quell a student demonstration. The unusually harsh police crackdown invited angry protest from incensed citizens.

Brunei, Malaysia & Singapore

Malaysia

Commentary Hails Strengthening of Ties With PRC

BK1908101792 Kuala Lumpur Voice of Malaysia in English 0800 GMT 19 Aug 92

[Station commentary]

[Text] Malaysian Defense Minister Datuk Sri Najib Tun Razak is now on an official visit to the People's Republic of China. His visit comes just a week after the visit of the Chinese vice premier, Mr. Yao Yilin, to Malaysia. Datuk Sri Najib's visit to China is the first of its kind. He is the first Malaysian defense minister to visit China since diplomatic ties were established in 1974. Malaysia's external relations policy is based on its desire to cultivate links with all countries irrespective of the political ideology. At the same time, if human right violations occur, the government does not hesitate to break off diplomatic relations. The recent decision to close the Malaysian Embassy in Belgrade highlights this principle.

China is too large and important a country to be ignored. Over the years, the Chinese republic has changed its internal as well as external policies. [Words indistinct] become more acceptable to international society. There is now a healthy progress of attention on improving the quality of life of the Chinese people. Malaysia and, for that matter, the entire ASEAN community are keen on mutually beneficial trade and cultural contacts and other bilateral and multilateral ties with China. There are many indications that Beijing is similarly interested in strengthening such links. It realizes that [words indistinct] and inflexible communist rule led only to economic stagnation. But smaller nations like South Korea, Japan, Taiwan, and others have made remarkable progress. Beijing wants to [words indistinct]. Moreover, the support given by the Chinese republic to the UN plan for (?peace) in Cambodia is a welcome step.

The Malaysian defense minister has already held wide-ranging talks with his Chinese counterpart. Although full details are not yet available, it is understandable that there will be arrangements for friendly links between the armed forces of the two countries. Malaysia already has such defense ties with several friendly countries. The officers of other armed forces, for example, attend advanced courses at the Malaysian Defense Academy.

In the economic sector, there is a greater hope that trade between Malaysia and China will increase in volume and value in the future. Leading Malaysian companies are fast establishing contacts with appropriate Chinese corporations. There is a much better understanding of the contemporary Chinese skills among Malaysian business people. The defense minister's visit can be looked upon as yet another example of closer Sino-Malaysian relations.

Deputy Premier on UN Special Session on Bosnia

BK1808123092 Kuala Lumpur Voice of Malaysia in English 0600 GMT 18 Aug 92

[Text] Malaysia is working closely with the Organization of Islamic Conference, OIC, to rally support to convene a special UN meeting on the conflict in war-torn Bosnia-Hercegovina. The deputy secretary general of the Ministry of Foreign Affairs Datuk Halim Ali said through lobbying and convincing other UN member countries, Malaysia hopes to get the support of at least 89 countries to convene the special meeting.

He told Radio Television Malaysia in Kuala Lumpur today that the objective is to put pressure on the world's community as well as the Serbian authority to take appropriate action and bring an end to the conflict in war-torn Bosnia-Hercegovina.

Editorial on Gravity of Bosnia-Hercegovina Issue

BK1808150892 Kuala Lumpur NEW STRAITS TIMES in English 14 Aug 92 p 12

[Editorial: "Time for Action in Yugoslavia"]

[Text] The decision by the Government to sever immediately diplomatic relations with the Government in Belgrade demonstrates the outrage felt by Malaysians generally over the continuing genocidal atrocities by the Serbs in Bosnia-Hercegovina. Malaysia is believed to be the first country to do so.

This is indeed an extraordinary step taken by the Government. As pointed out by the Yugoslav Charge d'Affairs Zoran Plavec, Malaysia's decision is unusual and very rare as normally a country cuts diplomatic relations with another over bilateral not third party issues. Foreign Minister Datuk Abdullah Ahmad Badawi confirmed the unusual circumstances when he said that this is the first time Malaysia has "unilaterally" severed diplomatic ties with another country, although cutting of ties as such is not a new experience for the country. But then what is happening in Serbia-Hercegovina [as published] is certainly beyond the ordinary and desperate situation calls for drastic action.

Drastic as it is, this step is not expected to have any noticeable effect on the conflict which is currently raging furiously. That is why Malaysia is pushing ahead with its call to the United Nations Security Council to convene a "full blown" conference on the Bosnia-Hercegovina issue. Clearly the proposed two resolutions by the UN Security Council to authorise the use of force to ensure the delivery of humanitarian aid to the besieged inhabitants of Bosnia-Hercegovina and to allow the Red Cross and related organisations to visit the detention camps (or "concentration" camps as some quarters more aptly describe them) are inadequate and may even be too little, too late. What good is it to be well-fed, only to be shot later?

In contrast to Malaysia's unequivocal stand, the position of other nations and organisations especially those which can make difference in this conflict is disappointing to put it mildly. What we have in Bosnia-Hercegovina is full range of crimes against humanity—suppression of minority, ethnic genocide (or "ethnic cleansing" as Serbians call it), torture and appropriation of property by force, just to name a few.

The whole issue is, of course complex and under normal circumstances a full deliberation is the only proper course to take. But when so much is at stake and countless ceasefire agreements in the past have been broken, the top priority should be to stop the atrocities at once and by force if need be.

The reluctance of the big powers to act whether on their own or through multinational bodies such as the United Nations, North Atlantic Treaty Organisation (NATO) or the European Economic Community (EEC) beyond passing toothless resolutions is puzzling. Contrast their eagerness to act against Iraq or the U.S. bombing of Libya for suspected killing (later found to be doubtful) of U.S. servicemen in a night club in Germany, and one cannot escape the conclusion that the big, meaning Western, powers are practising double standards on questions of morality and supposedly good behaviour.

Have they become so conditioned to believe that only Third World countries are capable of violating human rights that they are unable to contemplate that a western nation, therefore their own people, cannot only trample human rights but do so on a massive scale?

What happens in Bosnia-Hercegovina sadly has greater implication beyond.

Joint Post Planned at Border With Indonesia

BK1808123892 Kuala Lumpur Voice of Malaysia in English 0800 GMT 18 Aug 92

[Text] Malaysian and Indonesian armed forces will set up a joint border post at the Sarawak-Kalimantan border to monitor people crossing the border. Colonel Kamarul Arifin, Staff Officer of the 1st Division in Kuching, Sarawak, said the move was to facilitate greater coordination between the two armed forces in the border area.

At present Malaysian and Indonesian armed forces in the border have separate posts. The distance between the posts was far and it was difficult to communicate between each other. He was speaking to reporters after a meeting of joint military operation planning team in the Sarawak capital. He said close cooperation between the armed forces of the two countries was necessary to prevent illegal crossing at the border.

Colonel Arifin also said that the Malaysian army would send several officers to Indonesia in October to study the Indonesian army's projects of the army visiting the rural areas with a view to introducing a similar program in Malaysia.

Police Chief: No Report on Aceh Rebels Sanctuary

BK1908061892 Kuala Lumpur UTUSAN MALAYSIA in Malay 24 Jul 92 p 1

[Text] Kuala Lumpur, 23 July—National Police Chief Tan Sri Haniff Omar says he has received no report to the effect that Malaysia has become a sanctuary for rebels fighting for Aceh liberation as alleged by the Indonesian Armed Forces. Indonesian authorities are welcome to discuss the issue at the four-day ASEAN Police Chiefs Conference in Brunei, scheduled to begin on 2 August in Brunei.

"At present, I cannot comment on this issue because I have not received a complete report on the allegation," the national police chief said at a function organized by the British Graduates Association of Malaysia in Kuala Lumpur this evening. UTUSAN MALAYSIA had quoted Major General P. Pramono, commander of the North Sumatera Regional Military Command, as saying that many Aceh rebels who are waging terrorist struggle against the Indonesian Army are now living and moving freely in Malaysia. "I believe it is not conducive to regional stability in the long term if Malaysia continues to become their sanctuary," Maj. Gen. Pramono said.

Cambodia

UNTAC Chief Signs Cambodian Election Laws

BK1808122292 Phnom Penh SPK in English 1107 GMT 18 Aug 92

[Text] Phnom Penh SPK August 18—The special representative of the Secretary-General, [words indistinct] exercised on August [words indistinct] the United Nations electoral law for Cambodia, 1992.

According to a press release on August 14 by the United Nations Transitional Authority in Cambodia, the [words indistinct] finally [words indistinct] differ from the draft which was presented to the Supreme National Coucil on April 1, 1992 in the following ways:

"The right to register to vote at the election is granted to every Cambodian person who is of, or over, the age of 18 years or will attain that age during the period of registration." A Cambodian person is defined as:

"- a person born in Cambodia, with a mother or father born in Cambodia,
"- a person born outside of Cambodia, with a mother (?or father born) in Cambodia whose mother or father was also born in Cambodia.

"The symbol of a political party cannot be accepted for registration if it contains a portrait of His Royal Highness Prince Norodom Sihanouk [words indistinct] of Angkor Wat.

"Voting facilities for overseas voters are to be provided at one polling station in Europe, one in North America, and one in Australia. Registration of voters is [words indistinct] to take place exclusively in Cambodia.

"The election campaign period is to start on the day that the (?chief) electoral officer publishes the final list of registered parties and ends four days before the start of polling.

"Any [words indistinct] omission which would be an offence if committed during the campaign period shall also be an offence if committed before or after the campaign".

Teachers Reportedly Told To Vote for Ruling Party

BK1808064292 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 18 Aug 92

[Text] The weekly bulletin of the Khmer People's National Liberation Front has received reports from a source, who requested anonymity, that at the end of a training course for primary school teachers in Phnom Penh early this month, a high-ranking official of the State of Cambodia said that teachers should vote for the Cambodian People's Party [CPP] and that the CPP is competing in the election only against the parties of His Excellency Son Sann and Prince Norodom Ranariddh.

This official said that during this year's school exams, there was not a lot of bribery and that maybe next year there will not be any. Therefore, the establishments and structures would remain the same if teachers voted for the CPP. The source who attended the course said that there were complaints from those present saying that if there is no change, the pro-Vietnamese communist regime will remain and that the dictatorial regime will continue to administer Cambodia.

Sihanouk: 'No Illusions' on Peace Accord Problems

PM1808144292 Paris LE FIGARO in French 17 Aug 92 p 4

[Remi Favret report: "Cambodia: Norodom Sihanouk's Doubts"]

[Text] Phnom Penh—"The future is black:" Despite the gold and rich hangings of the restored royal palace, Prince Norodom Sihanouk has no illusions. The peace plan, which the United Nations has started to implement with an unprecedented profusion of resources, will not be enough to cure his country of all its ills: the plundering of natural resources, corruption, the thirst for power among the four Cambodian factions, the Khmer Rouge's persistence in undermining the Paris agreements....

"A few years ago," he said sardonically, "the Americans launched the disaster movie trend. But in Cambodia, it is a reality—not a fictional movie!" Nonetheless he denied that he had lost hope: "I will never give up. Cambodia is my passion. I will fight to the end." Sihanouk, chairman of the Supreme National Council, the body created by the Paris agreements to govern Cambodia until the forthcoming elections, said he is happy to have returned to Phnom Penh to help his country: "It is fantastic to resurface after so many years." There was a procession of diplomatic limousines and white UN automobiles outside the huge gates of his palace throughout the day. Sihanouk throws himself into all issues, forcing the admiration of the representatives of international organizations. "I constantly tell my interlocutors: Distribute the aid yourselves, monitor its use yourselves. It is vital for the international aid to go to those who need it most. Do not trust us Cambodians." His preference goes to the most practical issues: health care, education, and agriculture.

But he must also face the underhand political struggles among the four Khmer factions. The peace plan is being hampered by the Khmer Rouge's refusal to allow the United Nations to deploy its forces in their zone, to disarm and regroup 70 percent of their fighters, as the Paris agreements stipulate. "I have been asked to win over the Khmer Rouge," Sihanouk said. "I will try. But between ourselves, I doubt that they will be open to persuasion." He will meet with the Khmer Rouge leaders in their Pailin stronghold in September, going via Thailand.

Long-term Strategy

When he was fighting the Vietnamese occupation alongside them, the Chinese gathered the leaders of the three resistance parties in Beijing. "Deng Xiaoping told us: 'Prepare to fight for 40 or 50 years. You will win in the end,'" Sihanouk said. He thinks that the Khmer Rouge, whom he calls "the Beijing regime's darlings," are still thinking along those lines.

"They take a long-term view. Time does not exist for them," he said. "The UN timetable is not their timetable. They are not counting on the elections." Their strategy is a long-term strategy and their goal, Sihanouk thinks, has not changed: They still believe in the bloody utopia which cost Cambodia at least one million lives between 1975 and 1978. "They want to carry out a revolution with the poorest people who they regard as the most pure. That is not wrong. If they were not pure, they would not be poor."

In a poverty-stricken rural Cambodia, the prince fears that unbridled corruption and anarchical economic growth concentrated in the cities will strengthen Khmer Rouge propaganda by creating more injustice. "I do not think they can take power now," Norodom Sihanouk said. "But they are still very strong. We must not underestimate them."

Partial Implementation

Faced with obstruction from the Khmer Rouge, the main sponsors of the Paris agreements are divided on what attitude to take. France, represented by Georges Kiejman who made a high-profile visit to Cambodia, has suggested taking a hard line should the Khmer Rouge persist. General Loridon, who until last month was second-in-command of the UN forces in Cambodia, even stated that the Khmer Rouge problem could be solved once and for all by sacrificing no more than 200 Blue Helmets.

For Sihanouk it is out of the question for the United Nations to take such a risk. "I do not want a Dien Bien Phu in Pailin!" he said emphatically. "The delightful General Loridon, whom I adore," he said, seriously underestimates the Khmer Rouge forces. "There are not 10,000 of them but at least 40,000. They have large amounts of heavy equipment and considerable resources."

The prince therefore thinks there is no other solution than to continue to compromise with them, if necessary, by adapting the peace process. "I told the United Nations: Let's drop the Khmer Rouge! The other three parties control 85 percent of the territory. So, let's implement the Paris agreements in 85 percent of the country." He also recommended abandoning the disarmament and regrouping of combatants in which the Khmer Rouge are not participating: If the other factions alone disarm, he said, "that will strengthen the Khmer Rouge." At the same time, he does not want to burn all bridges. "We agreed with Mr. Akashi (the UN secretary general's special representative in Cambodia—LE FIGARO editor's note) to keep the Khmer Rouge in the Supreme National Council even if they do not implement the Paris agreements. This is the only way to gradually persuade them to show more respect for international law and for law pure and simple."

Because Sihanouk has the power to decide if there is disagreement within the Supreme National Council, he does not intend to allow the Khmer Rouge to obstruct the peace process any longer. But how can you talk about peace when armed combatants remain in the field and impose their own law within the confines of their territory? "Nobody can do the impossible," Sihanouk argued. "If we cannot do what we should do, let us at least do what we can. You sometimes have to make do with a glass that is half full. The important thing is that the wine should be good!"

But a partial implementation of the Paris agreements will not be enough to clear away the black clouds hanging over Cambodia. UN Secretary General Butrus Butrus-Ghali told his special representative that the elections must be held before next June at all costs. But what will happen if the Khmer Rouge do not take part in the election or dispute the results? The UN provisional authority mandate in Cambodia ends in September 1993.

Some observers fear that the United Nations, following hastily conducted elections, will wash its hands of the Cambodian problem and leave the country. Prince Norodom Sihanouk does not think that will happen. "The United Nations cannot lose face. The huge financial and human resources deployed make this process a test of credibility for the United Nations. Some success must be achieved." He added with a smile: "The United Nations is like men, it is a human enterprise with its faults, weaknesses, and shortcomings. We are not gods. And the gods themselves are sometimes powerless."

Reportage on Prince Sihanouk's Recent Activities

Receives Courtesy Call From Chea Sim

BK1908092692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 19 Aug 92

[Text] On the morning of 18 August, His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the State of Cambodia's National Assembly, called on His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council, and his royal consort.

The prince head of state gladly welcomed H.E. Chea Sim and conveyed his regards to Chea Sim's wife and those people convalescing following the recent helicopter crash. Concerning the implementation of the 23 October 1991 Paris agreement, the samdech head of state highly appreciated and expressed optimism over the efforts full of goodwill of the CPP in the search for genuine peace for the Cambodian people in accordance with the principle of national reconciliation and social progress.

Receives UNHCR Representative

BK1908051892 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 18 Aug 92

[Text] At noon of 17 August, Mr. Sergio Vieira de Mello, representative of the UN High Commissioner for Refugees [UNHCR] in Cambodia, was received in audience by His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC]. Mr. Vieira de Mello briefed the prince on important issues concerning the repatriation of more than 300,000 Cambodian refugees from camps along the Thai border. At present, most of the refugees have not been repatriated yet.

According to a plan, UNHCR is to continue to join forces with other agencies to complete the repatriation of all the Cambodian refugees before general elections to be held in Cambodia next year.

On that occasion, HRH Prince Norodom Sihanouk profoundly thanked Mr. Vieira de Mello and his aides as well as other agencies for their physical and spiritual efforts to carry out the task of repatriating the Cambodian refugees effectively and safely.

Meets Delegation From France

BK1908092192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 18 Aug 92

[Text] On the morning of 17 August at the Khemarin Palace, His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council, received (Jan Peterson), vice chairperson of the federation of Cambodians in France.

HRH Prince Norodom Sihanouk welcomed the presence of the delegation and informed (Jan Peterson) on the implementation of human rights in Cambodia. The prince head of state profoundly thanked Cambodians living abroad for their efforts to contribute to restoring and rebuilding the motherland. This is necessary and indispensable.

Receives Egyptian Envoy's Credentials

BK1908101192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 19 Aug 92

[Text] At noon on 18 August, His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council [SNC], received credentials from His Excellency [H.E.] Mohammad Azazi, who has been appointed by the Egyptian Government as its permanent representative in Cambodia.

Speaking on this occasion the prince head of state welcomed the presence of the Egyptian representative in Cambodia, considering his mission to be a noble contribution to cementing ties between Cambodia and Egypt. The samdech head of state welcomed the movement for national unification in the Arab world and for its great achievements. He alo thanked the Egyptian Government for paying attention to the current peace process and social progress in Cambodia.

Replying, H.E. Mohammad Azazi told the samdech that as head of the Egyptian diplomatic mission, he will do all he can to develop the friendship and cooperation between the two countries on the principle of respect for the common interest of the Egyptian and Cambodian people.

Hor Namhong Discusses Khmer Rouge Noncooperation

BK1808145392 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 18 Aug 92

[Interview with Foreign Minister Hor Namhong by unidentified British television (Vanguard) correspondent on 15 August; place not given—read by announcer]

[Text] [Correspondent] What are the real intentions of the Khmer Rouge? Why are they not respecting the peace agreement?

[Hor Namhong] The main goal of the Khmer Rouge is to return to power. The Khmer Rouge have made efforts toward this end for the past 13 years, using all possible means to achieve their goal. They signed the peace agreement last October, but have used this peace agreement to achieve their strategic goal of returning to power. They have demanded the dissolution of the Phnom Penh government for this reason.

It is true that in the peace agreement there is no mention of a government during the transitional period. The agreement, however, also did not say anything [pontae kech prom preang kar at niyeay avey dae]. I think that UNTAC [UN Transitional Authority in Cambodia] and the international community have discussed the legitimate concerns of the Khmer Rouge. No one can do anything beyond the peace agreement or violate the peace agreement.

[Correspondent] Your Excellency Minister, please explain to us how the Khmer Rouge have used the peace agreement.

[Hor Namhong] The Khmer Rouge's main tactic is to weaken the Phnom Penh state authority. Along with this, they have attempted to create confusion during the transitional period because they consider the Phnom Penh state authority the major obstacle to their return to power.

[Correspondent] Certain situations seem to be very strange. In some areas of the country, Your Excellency Minister, the Khmer Rouge are still active in their attacks and shellings, yet you have allowed the Khmer Rouge to be in Phnom Penh. What are your views on this?

[Hor Namhong] We have to abide by the peace agreement, which allows some of the Khmer Rouge in the Supreme National Council to be in Phnom Penh. We have made efforts to ensure their security. At the same time, however, they have violated the peace agreement by attacking us almost every day. The Khmer Rouge violate the cease-fire every day. They have also fired on UN helicopters and aircraft. The Khmer Rouge attitude is very arrogant. Should we let the Khmer Rouge behave like this forever?

I think that we should implement the peace agreement with or without the Khmer Rouge. We should not place too much importance to the Khmer Rouge. We should move forward with two other parties in implementing the peace agreement.

[Correspondent] But if you proceed along this direction, will you be able to maintain peace and democracy in Cambodia?

[Hor Namhong] I think democracy, freedom, and human rights are irreversible in Cambodia. No one can reverse the democratic tendency in Cambodia. Even if the Khmer Rouge agreed to abide by the peace agreement, they will not let Cambodia and the Cambodian people have peace in the future. As I have specified at the beginning, the Khmer Rouge's major goal is to return to power through all ways and means.

[Correspondent] Do you think something will happen once UNTAC leaves?

[Hor Namhong] It is clear that we have to face the guerrilla war of the Khmer Rouge. We should, however, also recognize that the cold war has ended and the situation in Southeast Asia and the whole of Asia has also changed. The situation in Cambodia has changed. The strength of the Khmer Rouge is not as great as estimated abroad.

I think that in the future, with assistance from the international community and the support of the Cambodian people, we can prevent the Khmer Rouge from achieving their goal.

[Correspondent] If fighting continues with the Khmer Rouge after UNTAC's departure, does this mean that the United Nations has failed to achieve genuine peace in Cambodia?

[Hor Namhong] I do not think so, because UNTAC's mandate is to implement the peace agreement to the end, meaning the general election to set up a new Cambodian government. At that time, UNTAC's mandate will end. The new government should have enough strength to oppose the Khmer Rouge and solve problems, improve the people's living standards in rural areas, and reduce the gap between rich and poor people. These are major issues for the future and the main direction the new government should take to achieve results in order to prevent the Khmer Rouge from using poor people in their attempt to return to power.

I would like to specify that the Cambodian people, who were victims of genocide during the Khmer Rouge regime, should not again be punished by the Khmer Rouge. As I have said, with or without UNTAC, the Khmer Rouge will not let Cambodia have peace. We have the capability to make them look like the Malaysian Communist Party or the Thai Communist Party.

UNTAC Establishes Presence in Two Provinces

Coordination Commission in Prey Veng

BK1808090192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 18 Aug 92

[Text] Prey Veng Province has set up a provincial coordination commission to further improve cooperation with the UN Transitional Authority in Cambodia [UNTAC] and to contribute to promoting and implementing the peace agreement in Cambodia.

(Bun Tien), vice chairman of the province's People's Committee and chairman of the Coordination Commission, said: We are working hard to contribute to the success of the Paris peace agreement. In the military field, Prey Veng Province has built cantonment sites and regrouped troops in Kamchay Mea District by closely working with the district in gradually implementing the agreement. In the security field, the commission has been cooperating with the UNTAC police in providing the people with clarification of the technical aspects of the upcoming elections. The electoral preparations have been spread out to the grass roots to make it easy for UNTAC research teams to conduct a census of the voting-age people and to map the district with highlights of polling stations. Other tasks have also been undertaken in accordance with the agreement, such as the civilian administration, the electoral campaign, and the financial and banking activities. We have given UNTAC whatever clarifications it needs to know. Our commission has also coordinated actions with the UN High Commissioner for Refugees by accepting to resettle 1,551 families of refugees. Of these, 28 families have already been repatriated and have arrived in Prey Veng District for resettlement. Our commission has given UNTAC an office, which is to be opened for operation soon, to facilitate all aspects of UNTAC work in Prey Veng Province.

A goal of our commission and UNTAC in the very near future is to reduce 70 percent of the local forces already regrouped in cantonments inside Kamchay Mea District so that the second phase of the peace agreement in Cambodia is fully implemented.

Personnel Arrive in Svay Rieng

BK1908062692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 18 Aug 92

[Text] UNTAC [UN Transitional Authority in Cambodia] forces have been deployed in Svay Rieng Province, according to the Commission for the Coordination of Military Affairs with UNTAC. So far, there are more than 200 military and civilian UNTAC personnel, including civilian administrative staff, election organizing teams, human rights groups, and a provincial UNTAC head.

UNTAC's military personnel stationed in Romeas Hek District have cooperated with the Svay Rieng provincial authorities in regrouping 925 troops at cantonments in the district. As for the UNTAC police, they consist of internal security teams, which patrol districts, communes, and villages and are stationed at communal police stations across the province, and the teams which are deployed along the Cambodian-Vietnamese border at Boh Mon Commune in Rum Duol District and at the border pass at Bavet in Chantrea District.

The election organizing teams have already completed a census of people eligible to vote throughout the province and drawn a map. At present, the teams are checking their work and further exploring issues concerning the election organization.

The administrative staff members have carried out various types of work, including inspecting courts and prisons and inquiring into law implementation. In particular, UNTAC wants to know whether human rights have already been respected properly and correctly. The administrative teams have also looked into other sectors, including banks, treasury, customs, education, and health.

With sincerity and love for peace and under the leadership of the Cambodian People's Party, the provincial authorities have cooperated with UNTAC in correctly implementing the Paris accord; especially they have created all kinds of favorable conditions for the success of the UNTAC operations in Cambodia.

From today until 25 August, we are prepared to allow 970 troops to temporarily return to civil life so that they are able to assist in farming production.

The UNTAC administrative structure has also inquired into the commercial, agricultural, industrial, and financial sectors, the taxation system, and so on. Moreover, UNTAC will also become involved in maintaining security and order.

Khmer Rouge Violations in Kompong Thom Reported

BK1808132692 Phnom Penh SPK in English
1101 GMT 18 Aug 92

[Text] Phnom Penh SPK August 18—One villager was killed on August 11 by Khmer Rouges in the central province of Kompong Thom. According to the Military Coordination Commission with the U.N. Transitional Authority in Cambodia, eight elements of Khmer Rouge's Division 802 commanded by Seng took away and [words indistinct] August 11 a villager of Lor Ak village, Boeng Tvear commune, Santuk District.

The faction which fails to comply with phase two of the Paris peace accords has been blamed for recent massacre of innocent people. In late July, Khmer Rouge soldiers brutally massacred eight Vietnamese residents in the coastal province of Kampot, including a seven-day old baby.

The Khmer Rouge still cite the presence of Vietnamese soldiers in Cambodia as a reason for their refusal to take part in phase two of the Paris agreement even though UNTAC's officials have repeatedly said that they haven't found evidence of Vietnamese troop presence in Cambodia.

Also in Kompong Thom Province, Khmer Rouge from Division 616 reportedly gathered in Tuol Kreus Chas Village, Prasat Balang District, together with a lot of weapons on August 12. A day later, a group of the same division together with a truck of H.(?107) rockets and three oxcart of weapons and ammunition was seen in [name indistinct] commune, [words indistinct] the same province.

On August 14, elements of the division together with 20 trucks of rockets and ammunition were deployed between (?Sakream) and National Road 12. They also sent ammunition across Road 6 to Veal Kraom areas, Kompong Thom Province.

Phase two of the cease-fire which started since June 13 has been honoured by the government of the State of Cambodia, FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] of Prince Norodom Ranariddh and KPNLF [Khmer People's National Liberation Front] of Son Sann. However, the Khmer Rouge faction which (?is also a) signatory of the Paris accords (?following) decades of civil war in the country, still violates the agreements by refusing to lay down arms and give access to U.N. personnel to zones under its control.

Vietnamese Family Reportedly Killed Mid-Jul

BK1908022092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 18 Aug 92

[Text] A countless number of Vietnamese forces are now living along the banks of the Tonle Sap river, according to a recent report from the people in Siem Reap. There are as many as 200 to 300 Vietnamese families living in the Phnum Kraom area and Chong Khneas Village in the summer. Some of them earn a living as fishermen or merchants while the others are leading Vietnamese nationals there. Those Vietnamese aggressor forces control the area of Phnum Kraom both in dry and rainy seasons. The Cambodian people are not allowed to travel to that area to transact their business; and Cambodian soldiers and puppet officials stationed nearby can only enter the area once in a while when authorized by the Vietnamese. The Vietnamese aggressors have completely plundered fishing lots and the Tonle Sap river's banks where the people used to plant beans and watermelon. The area is now called Dong Thap Muoi by the Vietnamese.

The people in Siem Reap also reported that in mid July 1992, a Vietnamese family was killed in Chong Khneas Village near Phnum Kraom. The event was already reported to UNTAC [UN Transitional Authority in Cambodia]. And as UNTAC has no inquiry forces, it ordered the puppet A3 police to conduct an investigation into the matter. But the A3 police have no right to enter because the area belonging to the Vietnamese is off limits. Some people said that the incident might be framed by the Vietnamese by removing the allegedly massacred family to somewhere else to put the blame on Democratic Kampuchea; the Cambodian people are well aware of this kind of trick routinely employed by the Vietnamese and the Phnom Penh faction. But some others disclosed that in the past, there were disputes between the population, puppet policemen, and Cambodian soldiers in Chong Khneas Village on the one hand and the Vietnamese aggressors who plundered plots of land of the former's parents on the other. The people were terribly furious at the Vietnamese aggressors' plundering their plots of land, and as they could no longer endure with fortitude, they joined hands with policemen and Cambodian soldiers who are their children to attack and kill the Vietnamese family to serve this as a first warning.

The plundering of Cambodian people's land by Vietnamese aggressors has gone on for 13 years. And as UNTAC is now heard to be deployed in Cambodia, the people are very pleased with the presence. They call on UNTAC to quickly verify the Vietnamese presence and demand that the Supreme National Council [SNC] be entrusted with full authority so that it is able to join UNTAC in verifying the withdrawal of all categories of Vietnamese aggressor forces from Cambodia. The people say that only by doing so, can the issues of Vietnamese aggression and national reconciliation as well as other matters be resolved, thereby allowing Cambodia to recover peace and security within its genuine independence.

Indonesia

Economist on NAFTA Formation, NAM Relevance

*BK1908100992 Jakarta ANTARA in English
0810 GMT 19 Aug 92*

[Text] Jakarta, August 19 (ANTARA)—The emerging tendency to found trade blocs by the advanced nations like the European Common Market and NAFTA (North American Free Trade Agreement) is actually a blessing in disguise for the developing countries.

The blessing from such an inclination is the growing need to increase competitive power and quality of export commodities by the developing countries and also the necessity to tighten their economic cooperation, according to the second assistant to the dean of the economic faculty of Diponegoro University, Ahmad, in an interview with ANTARA on Tuesday.

The economic observer, who is currently also the chairman of Central Java Nahdlatul Ulama Economic Foundation, described the newly established trade bloc by the USA and Canada as a quite common phenomenon of the superpowers.

In his opinion, their purpose of building trade bloc is either economic or political but it has not been clear yet until now.

In order to prevent its negative impacts, the developing countries should adopt concrete steps, by enhancing their economic cooperation and competitive capacities, Ahmad suggested.

Only appeals will not help, the economist stressed.

As for the NAFTA itself, Ahmad said that he was less convinced of its success because of the many differences existing between both countries, especially concerning non-economic matters.

In fact the member countries themselves want to compete in making economic headways. For Canada, in particular, there are many basic questions which may disturb cooperation with the USA, he said.

Ahmad is also of the view that the Non-Aligned Movement (NAM) is still relevant in facing current world trends, including the formation of trade blocs.

The forthcoming NAM summit in Jakarta should therefore discuss economic cooperation among the NAM countries in facing this economic trend, he said.

The combined voices of the NAM countries will probably have an impact, and apart from that, they should continue to take concrete steps.

I therefore believe that the presence of the NAM is still relevant not only in the economic field but also in facing certain powers which want to impose their influence on the developing countries, he added.

East Timor Governor Urges Talks With Portugal

*BK1808151292 Jakarta THE JAKARTA POST
in English 10 Aug 92 p 2*

[Text] Dili (JP)—East Timor Governor Mario Viegas Carrascalao has suggested that Indonesia and Portugal hold a round-table meeting to work out problems related to the province.

"If we really want to settle our differences we have to have a discussion and explain our separate points of view clearly," Carrascalao said in an interview with THE JAKARTA POST at his office here on Saturday [8 Aug].

He urged both countries to listen and be flexible. If they fail to reach some agreement which can be brought to the United Nations' forum, he said, the East Timorese people will continue to suffer. The governor, whose term ends next month, said that some of the problems in the province are the result of conflicts between the two countries.

Carrascalao acknowledged that there have been human rights violation in East Timor. He said that he regretted the fact that several East Timorese were detained for so long before being given a trial. They were considered guilty even before the court reached a verdict, he said.

But he denied that the human rights problems in East Timor are the result of government policy. Instead, he said individual officers, for variuous personal reasons, abused their authority. Carrascalao, however, refused to identify the delinquent officers.

The governor told the POST that the special envoy from the United Nations, P. Kooijmans, had reported that though Indonesian law guarantees certain human rights, its execution is inconsistent and full of violations.

Carrascalao praised the government for its efforts to develop the province. He said, however, that some of the money targeted for development projects has found its way into the pockets of unscrupulous officials.

East Timor, said Carrascalao, is a kind of "disease" which has infected the image of Indonesia in the eyes of the world. To cure the "disease" East Timor must be treated as a special case, he said.

Parliamentarian Says Yugoslavia Ties Needed

*BK1808153092 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 18 Aug 92*

[Text] Marzuki Darusman, a member of Parliamentary Commission One, says in Jakarta today that the Indonesian Government need not sever diplomatic ties with Yugoslavia as Malaysia has done. This will ensure that the handing over of the chairmanship of the Nonaligned Movement [NAM] from Yugoslavia to Indonesia before the summit begins in September is smooth.

According to Marzuki, Indonesia must assume the NAM chairmanship with the approval of all member countries before it can react to the internal problems in Yugoslavia. He says Indonesia's attitude toward the conflict in Yugoslavia may not be the same as that of Malaysia since Indonesia is a candidate for the chairmanship of the NAM for the next three-year period and is expected to play a role in solving the internal problems of Yugoslavia. Marzuki also expresses his regret that Yugoslavia was unable to solve its own internal problems.

Laos

Nouhak Phoumsavan Visits Savannakhet Province

BK1908014792 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 19 Aug 92

[Text] Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA], recently visited and chatted with more than 1,000 multiethnic villagers from Nakham, Muang Khai, and Phong Somhong in Khanthabouli District, Savannkahet Province.

The SPA chairman chatted amicably with the people during the public gathering and hailed their production achievements in spite of the prevailing drought. They have completed rice transplanting on 80.50 percent of the total acreage of 4,351 hectares of ricefields in the areas. He also gave advice on certain measures, which conform to local conditions for raising the level of production. He urged the people to grow as many kinds of substitute and food cash crops so as to earn more income to improve their living conditions, thereby actively contributing to implementing the restructuring policy, especially in gradually building grass-roots socioeconomic and cultural foundations in the localities.

'Urgent' Instruction on 3d Front Congress Issued

BK1908053392 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 15 Aug 92

["Urgent" instruction issued by chairman of the Lao Front for National Construction Central Committee to all provincial and city municipal front standing committees on campaigns to record achievements to welcome the third nationwide front congress; date not given]

[Text] The Lao Front for National Construction [LFNC] Central Committee has decided to hold its thrid nationwide congress in late 1992, in order to implement the party Central Committee's Political Bureau resolution to convene their nationwide congresses by the end of 1992. To welcome the third LFNC nationwide congress, the LFNC Central Committee hereby instructs all provincial and city municipal standing committees of the LFNC throughout the country to direct the front committees of the provincial and city municipal services as well as those committees at the district level under their responsibility to encourage the masses to launch campaigns to score achievements to worthily welcome and support the third nationwide congress of the LFNC. It is suggested that emphasis be placed on the following campaigns:

1. The political and ideological training campaign. In carrying out this campaign, the multiethnic people of all strata and all religions in society must be encouraged to unite and maintain national concord, uphold the sense of a unified nation, build a big family of the national community, and implement the line and policy of the party and state to smash all divisive schemes of the enemies. In the immediate future, everyone must be enabled to clearly understand the goal of revolution; profoundly grasp the line, policies, plans, regulations, and laws of the party and state; continue to build, promote, and expand the democratic popular system; and correctly understand the true situation in our country so as to successfully translate into reality the line, policies, resolutions, instructions, plans, regulations, and laws of the party and state.

Expectations of this training campaign are as follows: educate and train the people to uphold a patriotic spirit, enhance the existing patriotic traditions, heighten vigilance to thwart and crush all enemy schemes and tricks, and maintain resolute determination under all circumstances. Particularly, the people must be educated and trained to take the initiative to widely promote and expand the democratic system in society and implement their democratic rights and rights to mastery in performing the duty of examining and following up activities of the administration and contributing views on the building of cadres, party members, and the administration. Our restructuring cause can be successfully fulfilled only when the LFNC committees effectively encourage the multiethnic people of all strata to cement unity and take part in carrying out the cause. The multiethnic people, in partuicular the alliance of workers, farmers, students, and intellectuals, must be used as the main force to carry out the cause under the party's leadership.

2. The production campaign. In this campaign, attention should be paid to encouraging the multiethnic people to strive to complete transplanting seedling rice for main rice farming during the season, combat drought and floods, suppress harmful insects, and make preparations for planting dry-season crops so as to build the household economy and gain more revenues. Each family should be directed to make trading plans and to obtain loans for use in expanding production and boosting the state trade and communications and transport services. In expanding the household economy, the family revenue sources will contribute to expanding production and increasing capital for the social productivity and increasing the revenues of each family.

3. The education campaign. In this campaign, the multiethnic people of all strata should be directed to positively contribute to preparations for the opening of the new 1992-93 school year. Children should be prepared for the new school year. The people should be encouraged to contribute to repairing schools, nurseries, kindergartens, formal education schools of all levels, supplementary and cultural training schools in order to draw children, youths, cadres, workers, and people in general to study at the schools with a view to stamping out

illiteracy and raising the level of their understanding in the cultural, scientific, and technical fields.

These are some of the basic tasks that must be continually carried out, because they have positively affected the cause of defending and building the country. It is particularly required that the administration also coordinate in expanding the education for tribal people in mountainous, remote areas.

4. The cultural development campaign. This campaign requires that the multiethnic people of all strata be encouraged to contribute to creating necessary, favorable conditions to expand foundations, enhance the precious tradition of national culture, do away with various backward customary practices and depraved ideological and cultural vestiges left behind by the old and new colonialists and feudalists which do not conform to the Lao culture, check all negative phenomena in the ideological and cultural fields stemming from outside, and motivate people of all tribes to take part in setting up establishments of new, modern, and progressive culture to make all Lao citizens new men who maintain fine culture, exemplary virtues, and a charitable spirit to truly become the property of the entire nation.

At the same time, attention must be paid to supporting and nurturing religion, in particular Buddhism, to remain pure, opposing all practices of making use of and dividing the religions, checking all acts of disrupting the solidarity in our national community, coordinating with provincial administrations and regular armed forces to organize radio programs, video cassette shows, and motion pictures in rural and mountainous areas in order to encourage the people to take part in the campaign.

5. The public health campaign. In carrying out this campaign, the people must be encouraged to take part in carrying out the three-clean sanitation movement and contribute to broadening medical and pharmaceutical services of all state, collective, and private sectors to serve the people. The said public health sectors must strive to fully promote their capabilities in carrying out their activities in order to gradually improve the health system in service of the people.

6. The national defense and public security maintenance campaign. Attention must be paid to encouraging and motivating the multiethnic people to coordinate with various mass organizations in carrying out national defense and public security work; encouraging youths to serve as soldiers; taking care of soldiers' families and families of those who have sacrificed their lives for the nation and who have suffered injuries or become disabled as well as families of those who have scored meritorious deeds for the revolution. The multiethnic people of all strata must also be encouraged to take part in building and improving militia-guerrillas forces and fulfilling national defense and public security work in order to effectively defend the country and safeguard independence, sovereignty, and territorial integrity, maintain the new system, protect the party, and guarantee tranquillity and social order. The people, particularly those who have families, must be encouraged to perform the duty of motivating and persuading their children who have been misled by enemy elements to serve as bandits to return to their families. Those youths who return to their families must first be educated and trained and then provided with assistance and welfare so that they can earn a living in normal way.

Each locality, each province, and each municipality is required to report, in a timely manner, its achievements in carrying out the campaigns to the Office of the LFNC Central Committee so that the achievements can be promptly publicized through radio and newspapers. The front committee of each province is also requested to coordinate with the provincial propaganda and training service in broadcasting news on the achievements. Along with the launching of the said campaigns, it is appropriate to encourage and persuade the people in areas where favorable conditions permit as well as the various state, private, and state-private companies to contribute necessary materials or give spiritual support to the congress.

Upon receiving this instruction, the standing committees of all provinces and city municipalities are requested to hold meetings to study it, lay out concrete plans for implementation, and then propose the plans to the party and administrative committees for consideration and approval before making arrangements for the implementation.

Need To Appreciate Public Security Work Viewed

BK1808105592 Vientiane PASASON in Lao
5 Aug 92 pp 3, 4

["Feature" by Saiyati: "What Is the Correct Way To Appreciate Public Security Work?"]

[Text] The maintenance of public security and social order is a field of broad scope that involves every sort of social activity. Indeed, it involves extensive work.

Westerners level accusations that communist parties use police force as a dictatorial mechanism for suppressing the people. In fact, such practices have been carried out in capitalist countries themselves. For example, in early 1992 during the Los Angeles incident in the United States, thousands of police were used to crack down on black citizens fighting for legal equality between blacks and whites. To defend such actions, U.S. authorities claimed that policemen were used to break up the rioting. On the other hand, if a socialist country were to use police force against a massive crowd of rioters, Westerners would cry loudly that police force was being used to suppress people fighting for democracy, or make some other charge. Propaganda statements by antisocialist countries like those mentioned above cause the people to have a misguided understanding of socialism. As a matter of fact, regardless of political system, in the current period, all government administrations use police or military force against groups of people who carry out activities against them. In this respect, capitalists have used police forces to suppress protesters demanding social justice more often than others.

For our Lao People's Democratic Republic, the following has been clearly stated in Chapter 1, Article 11 of the Constitution:

The state implements the policy of national defense and the maintenance of security among the entire masses and in an all-around manner. The national defense and public security maintenance forces must hold aloft their loyalty to the country and multiethnic people; carry out the tasks of safeguarding the fruits of the revolution and protecting the lives, property, and labor of the multiethnic people; and contribute to the tasks of national development.

Based on such tasks and duties, public security cadres and combatants have therefore energetically employed their intellect and labor, and sacrificed their lives and flesh and blood for national security and stability, as well as for the peace and order of society. Of course, no one would argue that there have not been some deficiencies in carrying out such tasks and duties. This has resulted from the difference in the levels of the ability of persons to comprehend the direction and policy of the party, laws, and regulations of the state, as well as individual behavior.

Notably, the carrying out of duties of the public security force involves political development in society, and benefits the country as well as individuals. Consequently, there are certainly both friends and foes of the public security forces. Regardless, all of the organized activities that public security has carried out have been solely aimed at serving the interests of the country as a whole and protecting the legitimate interests of the people, except in the cases involving certain opportunists taking advantage of their rank or position to gain benefits for themselves. This critical factor in our society is discouraging and needs to be seriously addressed and eridicated.

From past to present, one of the factors that has helped maintain peace and order in our country is good cooperation from cadres, state employees, and public citizens at all levels.

Philippines

Businessmen Express Fears Over NAFTA

HK1908033092 Manila PHILIPPINE DAILY INQUIRER in English 18 Aug 92 p 17

[By Corrie Narisma]

[Text] Local businessmen have expressed fears that foreign investments intended for the Philippines and other countries in the Asia-Pacific region would be lured to Mexico following the formation of a huge trading bloc in North America.

Representatives of the United States, Canada and Mexico reached agreement last week on the formation of a North American Free Trade Area (NAFTA).

Filipino businessmen said that investors from Taiwan, Japan and Europe would have to find an entry point to penetrate the huge American market, and Mexico is the most logical choice for this.

They said that the cost of doing business in Mexico is much cheaper than if a foreign investor were to set up base in the U.S. or Canada.

Raul T. Concepcion, chairman of Concepcion Industries Inc., and Resins Inc. president Meneleo Carlos said that, with the formation of various regional economic groupings, "there will definitely be a concentration of resources somewhere."

Concepcion noted that, with the Association of Southeast Asian Nation's version of a free trade area still undeveloped, investments from Japan, Taiwan, and South Korea could be directed to Mexico.

Carlos and Concepcion agreed that the ASEAN Free Trade Area (AFTA) should be formed carefully, saying that it should not be intended to become a huge market but only a growing market to lure non-ASEAN investments.

They said that the implementation of the AFTA scheme should not be rushed, urging ASEAN members to study the North American trade pact first before fully implementing the region's own version of a free trade scheme.

"But we should not forget that the principal objective is still the creation of AFTA," Concepcion pointed out.

One thing that the ASEAN should learn from the NAFTA is its local content requirement on products which will be traded within the grouping.

Local businessmen believed that ASEAN should be very strict in implementing a local content ruling on products that will be traded freely among its member-nations, otherwise the region will be faced with dumping problems.

Non-ASEAN countries may find it more practical to simply dump into the region their products instead of taking the risk of investing in ASEAN nations.

Without any local content requirement, non-ASEAN countries will still have access to the huge regional market that will be created by the AFTA even without putting up their businesses in the region.

A more careful study of NAFTA, however, should not delay the implementation of the Common Effective Preferential Tariff Arrangement (CEPT), which is the main vehicle in reaching the AFTA, they said.

Democratic Win in U.S. Elections To Favor Ties

HK1908035192 Manila PHILIPPINE DAILY INQUIRER in English 19 Aug 92 p 7

[By Tony S. Bergonia]

[Text] A victory of the Democrats in the November presidential elections in the United States could open doors for new RP [Republic of the Philippines]-U.S. relations more beneficial to the Philippine government, the Department of Foreign Affairs said in a review of RP-U.S. relations.

The review, a copy of which was provided the INQUIRER yesterday, said the Ramos administration's effort to "set a new cornerstone for Philippine-American friendship" could be more fruitful under a Democrat leadership in Washington.

The review said President Ramos himself could gauge the chances of recasting RP-U.S. relations by going on a state visit to the United States after the November polls.

"The visit would gain more significance if the Democrats succeed in recapturing the White House. As the new Democratic President assumes the (U.S.) Presidency, President Ramos would have the opportunity to know how the Philippines will fare in the Democratic foreign policy agenda," the review, which was submitted to the Senate Monday, said.

"The state visit would also confirm whether or not the widely-held belief that Democrats are more sympathetic to Philippine interests than the Republications is true," the review added.

However, it added that should U.S. President Bush, a Republican, be reelected, "President Ramos' state visit would be equally productive as both Presidents could set the new cornerstone in the Philippine-American partnership."

The review said RP-U.S. relations should be overhauled to fit new world developments, like the collapse of communist regimes in Europe, the thawing of the Cold War and the rejection of a new RP-U.S. base treaty which would have kept U.S. military presence in the Philippines until 2001.

But the Philippines, under the envisioned new relations with the United States would still be heavily dependent on U.S. support for international aid and would have to open access to U.S. forces to former American military bases here to keep RP-U.S. relations from further breaking down.

It said much of the administration's plan for economic growth would depend on the volume of trade between Manila and Washington and on Washington's continued support for official development assistance (ODA) loans to the Philippines.

Police Chief 'Not Resigning' Despite Allegations

HK1908040292 Manila PHILIPPINE DAILY INQUIRER in English 19 Aug 92 pp 1, 10

[By Lynda T. Jumilla]

[Text] Director General Cesar Nazareno yesterday said he was not resigning as National Police chief amid allegations that he was coddling criminals.

Appearing before the House committee on public order and security, a grim-faced Nazareno also denied any involvement in illegal gambling.

"As of the moment, I am still chief of the PNP [Philippine National Police]," he told the congressmen. "I don't have intentions to resign."

While clearing the confusion over his present status, his statements, however, have not totally quelled speculation on what was in store for him.

On Monday, President Ramos denied reports (not from the INQUIRER) that he had fired Nazareno but left open the possibility of replacing him by saying, "We will get to that later."

The committee chaired by Isabela Rep. Antonio Abaya looked into reports of police involvement in illegal gambling and other criminal activities. In a privilege speech last week, Surigao del Norte Rep. Robert Barbers, himself a former police officer, urged Nazareno to resign to take responsibility for policemen involved in crime.

"Poison letters" have linked Nazareno to illegal gambling. This, more than the charge that he had leaked a presidential memorandum on questionable PNP appointments, was believed the reason Nazareno was being eased out of office.

"I deny that (gambling charge). I don't gamble myself, and I'm not protecting any gambling lord," he said, adding he was willing to answer such charges in the proper forum.

Nazareno would not say who he believed was behind what he called "efforts to malign my character."

"Let me just say that the world is composed of billions of people and some are good, some not so good, and some are evil," he said.

"But I just have one request: Spare my children," Nazareno added, evidently in reaction to attempts to include his wife in the illegal gambling charge.

Nazareno also debunked the charge that he had leaked the controversial memorandum on PNP appointments, which triggered howls of protest from governors and senators.

He stressed that he was just enforcing orders for the transfer of the 12 provincial PNP directors unilaterally appointed by Interior and Local Government Secretary Rafael Alunan.

Under the law, Alunan was supposed to recommend nominees to the post of provincial director and the governors would be the ones to make the final choice.

Nazareno told the committee he was not aware he had any differences with Alunan.

"I'm not aware of that (differences with Alunan). I'm just a good soldier and I'm just doing my duty," he said.

Nazareno said the PNP never had such a controversy in the past "because we always made sure the governors had a say to ensure that the transfer was smooth."

In the light of charges of police involvement in illegal activities, Nazareno said morale in the PNP was low.

"Before things were brought out to malign my character, the PNP was riding on the crest of popular acclaim because of its performance in the recent elections," he said. "Now, the morale is no longer as good."

Nazareno nevertheless defended his leadership of the PNP since its inception 18 months ago.

He said the May elections, acknowledged by many as the cleanest in a long time, was "a manifesto of what I've done."

Abaya said Nazareno had no fixed tenure as PNP chief contrary to the belief of some senators, and could be dismissed by the President anytime.

"I sought the opinion of the Civil Service Commission and they agreed with me that the PNP chief is a presidential appointee," he said.

"Constitutionally and legally, all presidential appointees, including the PNP chief, serve at the pleasure of the President," he added.

Reports that Nazareno would be replaced as PNP chief leaked from Malacanang, fuelling speculations that a powerful bloc in the Palace wanted Nazareno replaced.

Alunan said he has not received a letter of resignation or leave of absence from Nazareno.

"Maybe there are a lot of things happening now to (Nazareno) that are causing him to behave abnormally but I'll grant him that," he said, as he urged Nazareno to clarify his status.

As this developed, Vice President Joseph Estrada, head of the Presidential Anti-Crime Commission [PACC], said his office has no evidence linking Nazareno to illegal gambling.

Nazareno, asked by congressmen why then former President Corazon Aquino had chosen him in 1991 to head the newly-formed police force, said he was surprised himself. He said he was regional commander for Central Luzon shortly before the change of government in 1986.

Nazareno refused to answer questions from newsmen after the hearing.

During the hearing, Senior Superintendent Miguel Coronel, PNP deputy chief for operations, said "kidnap-for-ransom seems to be a lucrative trade."

Coronel said many of the kidnappings go unreported because victims fear reprisals and also because of the "involvement of our own officers and men." He did not elaborate.

He said there were 14 major kidnappings reported in 1989, 38 in 1991 and 25 so far this year. He said 42 suspected kidnappers, including police officers, have been arrested.

On Monday, Estrada arrested Chief Inspector Jose Pring, former head of the Manila anti-kidnapping task force, and Chief Inspector Timoteo Zarcal of the Criminal Investigation Service Command, after they were tagged by a confessed kidnapper as masterminds of a kidnap gang preying on rich Filipino-Chinese families.

Alunan, meanwhile, said the President has already "approved in concept" his proposal to form a fact-finding body to investigate the alleged involvement of policemen in criminal syndicates.

He said he has recommended National Police Commissioner Guillermo Enriquez, PACC Commissioner Romulo Villa and Prof. Felipe Miranda of the Social Weather Station as members.

Communist Rebel Leaders Surrender in Isabela

HK1908034992 Manila PHILIPPINE DAILY INQUIRER in English 19 Aug 92 p 11

[Text] Two communist leaders operating in Isabela turned themselves in to the military over the weekend, the military announced yesterday.

The announcement came on the heels of reports that the surrender last week of some 200 New People's Army [NPA] rebels in war-torn Marag Valley was a hoax.

Brig. Gen. Emiliano Templo, the Armed Forces civil military operations (J-7) [military code] chief, identified the two surrenderers as Jose Foronda Agustin, alias Juan, and his wife Virginia Quines Reyes, alias Medy. Agustin's wife is seven-month pregnant, Templo said.

Military records showed that Agustin joined the communist underground movement in 1980 when he was a third year student at the Isabela High School in Ilagan. He immediately became secretary general of the NPA Juan Escandor Operational Command which operates in the eastern town of Isabela.

Reyes, Templo said, was the medical officer of the command.

Templo said the Agustin couple is now undergoing processing at Camp Aguinaldo so they could avail the benefits under the National Reconciliation and Development Program (NRDP).

In Zamboanga City, meanwhile, the military reported that Marines killed five Muslim secessionist rebels during a gun battle.

Col. Romeo Daranciang, commander of the Marines 2nd Brigade, said the clash took place Monday on the outskirts of Maluso town on Basilan island, about 48 kms south of Zam-boanga and about 912 kms south of Manila.

Daranciang said a Marine team was on a routine patrol when they encountered some 40 heavily armed guerillas of the separatist Moro National Liberation Front.

The soldiers killed five rebels, including two of the band's leaders, during the three-hour gun battle. There were no casualties on the government side, Daranciang said.

Daranciang said that the rebels also attacked a nearby Marine detachment but were repulsed. There were no casualties in the second incident.

Thailand

Fears of U.S. Embargo on 'Surge' of Textiles

BK1908032192 Bangkok THE NATION in English 19 Aug 92 p B12

[Text] The extraordinary surge in Thai textile exports to the US could provoke a trade embargo, according to local exporters.

The warning came after the Foreign Trade Department found a number of cotton knit shirts were overshipped to the US under falsified documents.

Ninety percent of the textiles and garments in the 338/339 category, which includes cotton knit shirts, have been exported to the US so far, and the remaining quota is to be exported in the next four months. Although Charae Chutharatatkun, director-general of the Foreign Trade Department, was optimistic that the US would not implement a trade embargo on Thai textile exports, a member of the Thai Garment Manufacturers Association said that he has been frequently informed by US importers that the volume of Thai textile exports was surging markedly in the past few months.

"Our US importers are afraid that if the textile export volume remained considerably high, the US government might announce an embargo on Thai textile exports," he said.

The local exporter added that if so, exports in shipment might face a problem when reaching the US.

The Foreign Trade Department has recently informed local exporters to be cautious when using the export quota to the US. It would also inform US officials to inspect carefully the information in the export quota category 338/339. The department has implemented tougher measure against fake documents. It also asked local exporters who sold cotton knit shirts to the US from January to August 14, to report their export information to the ministry this month.

Thailand is the eighth most active textile exporter to the US with an annual volume of 520 million square-metres. Thailand is also has the highest growth rate of all textile exporting countries.

Export quota statistics show that Thailand has only 150,000 dozen textile and garment exports left under the quota, compared with 300,000 dozen which have not yet been allocated.

Charae said that exporters should not overreact to the report since the department would use the 'carry forward' quota of next year for exporting local products.

He also deflected fears among the exporters on the possible embargo by saying that the department continuing discussions with US Customs officials on the problem and he was confident that the US would not impose an embargo on Thai textiles.

"The fake documents are beyond the ministry's control, (it is a matter for the police) as it is similar to a case of fake banknotes," he said.

However he admitted that if the local exporters were found guilty, it would erode the credibility of Thai exports.

Apart from the cotton knit shirt category, the ministry also found an extraordinary surge in textile exports of sewing thread, yarn for retail sale No 200, sheeting, staple, pop line, print cloth No 613/614/615, broadcloth, staple No 614, trousers, shorts No 347, 348, 847 and man-made fibre knit shirts No 638/639.

AFTA Adjustment Urged To Compete With NAFTA

BK1908092892 Bangkok Radio Thailand Network in English 0000 GMT 19 Aug 92

[Text] Thailand has been urged to adjust the role of ASEAN Free Trade Area, or AFTA, so that it will be able to compete with North American Free Trade Area, or NAFTA, in the future. The call was made by President of the Federation of Thai Industries Chokchai Aksonranan. Mr. Chokchai said ASEAN needs to urgently conduct a study on impacts of the formation of NAFTA toward AFTA export items. This study will be used as guideline for ASEAN to reduce their production costs to the maximum. An initial study shows that textile and plastic industries will be more protected by the formation of NAFTA.

Mr. Chokchai said all ASEAN governments must join forces in helping textile and plastic industrial operators. He said some foreign investors are likely to pay more attention to NAFTA as labor costs are much lower in Mexico.

Meanwhile, deputy minister of industry Wira Susangkorakan observed that Thailand's textile industry will be the most affected. Measures have been sought to reduce costs and improve the quality of the products. Although included in the AFTA agreement, Thailand's textile and plastic industries have not fully benefited from new technology available. Moreover, Thailand needs to adjust the free trade area proposal regarding labor, quality control, and infrastructure. The high price of land is the major problem confronted by industrialists and investors at present, he observed.

Crime Suppression Along Cambodian Border Stressed

BK1808043592 Bangkok BANGKOK POST in English 18 Aug 92 p 7

[Text] Authorities concerned have been instructed to step up the suppression of various forms of crime such as war weapon trading, car theft and robbery along the Thai-Cambodian border, National Security Council secretary-general Gen Charn Kunlawanita said yesterday.

After a meeting designed to find ways to tackle problems on the Thai-Cambodian border Gen Charn said Interior Minister Phao Sarasin has instructed authorities concerned, such as the Suranari Task Force, Burapha Task Force, Chanthaburi-Trat Task Force, governors of provinces bordering Cambodia and provincial and Border Patrol Police to step up crime suppression activities.

The Interior Minister also instructed the authorities to file reports to him every ten days outlining their success or failure in the suppression drive.

Gen Charn expressed concern that despite the fact the UN-brokered peace accord which has taken effect in Cambodia the crime rate has actually increased on the Thai side of the border.

However, the National Security Council secretary-general said he did not want to blame the soaring crime rate along the border on elements of the Khmer Rouge or any other Khmer faction.

He also said he did not want to blame the United Nations Transitional Authority in Cambodia (UNTAC) for allowing this to happen, despite the fact that under the Paris peace agreement the UNTAC must accept responsibility.

"We will try to push for the United Nations to look into this matter," Gen Charn said.

The NSC secretary-general said Thailand would continue to provide assistance to Cambodia.

Foreign Minister Asa Sarasin will go to Cambodia tomorrow to inspect the construction of Thai financed schools there, he said.

"When a small country like Thailand helps Cambodia, bigger countries should do likewise, if not more.

"In particular, the US$800 million fund from the Japanese Government for Cambodia should be made available as soon as possible," he said.

Gen Charn said he did not mind how much money other countries gave to Cambodia as long as they did not find fault with Thailand.

He said western countries tend to see Thailand as taking the side of the Khmer Rouge.

"In fact, we cannot deny association with any of the Khmer factions because Cambodia is our neighbour. We hope they understand the circumstances surrounding us," Gen Charn said.

Army Engineers' Work in Cambodia Observed

BK1908072492 Bangkok Radio Thailand Network in Thai 0530 GMT 19 Aug 92

[Excerpts] This morning, Foreign Minister Asa Sarasin and Defense Minister General Banchop Bunnak led foreign and local journalists to observe the work of the Thai engineering task force which has been assisting restoration in Poipt, Cambodia. [passage omitted]

[Begin recording] [Sakthip Krairoek, the Foreign Ministry spokesman, in Poipet] The purpose of the present visit to the border and Cambodian territory is to let the world see the role of the Thai Government and soldiers in assisting the Cambodian people. It is aimed at refuting the allegations about Thailand and Thai sodiers limiting their assistance only to the Khmer Rouge or about Thai exploitation of the Cambodian populace. The Thai soldiers can be seen constructing a school built partly from donations by the Thai Government and private citizens for Cambodian children. The target is to build schools in three locations. The construction has just begun. Some time today the foreign minister will lay the foundation of the first school, which will be in Poipet. The other two schools will be in Ban Nimit and another location. In addition to school construction, Thai Army engineers will dig three or four artesian wells for the Cambodian people.

The 48-km highway now has been topped by laterite. It has facilitated the repatriation of Cambodian refugees from Thailand. To date, about 89,000 of some 320,000 refugees have been repatriated. [end recording]

Burmese Government Proposes New Rail Link

BK1808043292 Bangkok BANGKOK POST in English 18 Aug 92 p 9

[Text] Burma's military government has proposed a rail link with Thailand along the route of the "Death Railway" that Japan built during World War II, a State Railway of Thailand (SRT) official said yesterday.

Thai authorities have accepted the Burmese proposal in principle but want to discuss it further with Rangoon, the official said. Burma's railway officials are expected to come to Bangkok soon to discuss the proposal

According to the proposal, Bangkok would construct a new railway line along the original route of the "Death Railway," which winds through mountainous and jungle terrain in Kanchanaburi to the Three Pagoda Pass border point to link up with Burma's southern rail route at Thanbyuzayat township.

A second possible link would extend from Thailand's northwestern line in Suphan Buri province, just north of Bangkok, up along the border. It would cross at the Thai border town of Mae Sot into Burma's rebel-infested Karen State to join up with Burma's southern line at Thaton township via Pa-an.

Construction of the 416 kilometre (258 mile) link from Nong Pla Duk, Thailand, to Thanbyuzayat, Burma, began in June 1942 using some 83,000 Allied prisoners of war (PoWs) and 330,000 Asian slave labors under the direction of the Imperial Japanese Army.

Cabinet Receives 'Final Report' on May Events

BK1908041492 Bangkok THE NATION in English 19 Aug 92 p A2

[Text] The Cabinet yesterday received the final report of the government committee investigating the Ratchdamnoen bloodbath and next week will discuss its recommendations on how to prevent similar incidents, Prime Minister Anan Panyarachun said.

The report was submitted to Anan last week but the details have not been publicized except a vague conclusion that "excessive" force was used to quell the anti-military uprising in May.

"It will take some time for the Cabinet members to study the 200-page report," Anan told reporters. "Next week we may jointly consider the report in detail as well as the committee's recommendations." Asked if the entire report could be publicized, the prime minister said: "That question will be considered by the Cabinet, too."

Early this month, Anan removed military leaders publicly blamed for the harsh crackdown after he had received a report of a Defence Ministry committee investigating the incident. Anan said the removal was in line with the investigation results but details of the report have not yet been made public.

Defence Minister Banchop Bunnak admitted yesterday there was one "major point" in the Defence Ministry's investigation report which has not been publicized.

Asked if the "major point" involved the military, he said: "Something like that. What I can say is that it doesn't involve politicians or [pro-democracy] demonstrators, and that it can be publicized soon."

Meanwhile, the exact number of people who went missing during the May violence remains unresolved.

The Cabinet yesterday was given two reports—one from the Interior Ministry and the other from private organizations—on the number of missing people.

The ministry's report said 207 people remain unaccounted for after the bloody uprising. The other report, which combined information from eight private centres and educational institutions, put the number at 288.

A Cabinet press release said yesterday the government has spent almost Bt [baht] 7 million on compensation for the families of those who lost their lives during the May tragedy as well as those injured in the incident.

The release said at least 36 people were "crippled" in the incident while 120 others were seriously injured.

The new Army chief reportedly plans to move commanders of three key combat divisions which lead the fatal suppression of the anti-Suchinda protests in May to inactive posts in the upcoming annual military reshuffle.

Chatchai Details Plans for Northern Region Growth

BK1908020792 Bangkok BANGKOK POST in English 19 Aug 92 p 6

[Text] Business potential and greater job opportunities are the theme of the campaigns by the Chat Phatthana Party [CPP] of Chatchai Chunhawan in the North.

The story behind the February 1991 coup against him is the highlight of his campaign—but not last May's unrest.

The new CPP has 14 candidates in northern constituencies who won last time for the now-defunct Samakkhi Tham Party [STP].

In the major northern province of Chiang Mai, CPP has five former STP MPs [member's of parliament]—Somphong Amonwiwat, Pol Sgt Udom Worawan and Charoen Chaoprayun in Constituency 2; Pricha Phongcharoenkun in Constituency 1; and Suraphon Kiatchaiyakon in Constituency 3.

Somphong, who is considered an "influential person," was STP campaign manager for the North in the last election.

The CPP also has fielded veteran politician Buntheng Thongsawat in Lampang along with another "influential person" Phairot Losunthon.

The party also has fielded former Chat Thai deputy leader Suchon Champhunut in Phitsanulok.

It has also fielded former STP and Chat Thai MPs in Chiang Rai and Lamphun.

"I cannot predict the number of seats my party will get in the North, but I hope it will do well," Gen Chatchai said.

During his campaign in Chiang Mai and Lamphun, he said he has not thought much about his chances of becoming prime minister.

"I have only thought about one thing—the theme of the party's election campaign and how I can help fellow candidates," he said.

Political observers say it is crucial for the CPP to tell voters about its plans to bring about more business and job opportunities.

"I'm sure I can lead Thailand to an economic boom like during my last term as prime minister. It will take only one and-a-half years—if my party becomes the core of the next coalition government," Gen Chatchai said in Nakhon Sawan, Phitsanulok, Lampang, Chiang Mai and Lamphun.

He said the North has abundant agriculture produce, but lacks agro-industrial plants.

"I will promote such industries in the North," he promised. He said the factories must be in industrial estates, where there are environmental controls.

Gen Chatchai promised that his administration would open more border crossings with Laos and Burma in the North.

"Under my free trade concept, these enterprises would not be monopolised by small groups of businessmen," he said.

He said Thailand, under his administration, would not only "intend to sell" something to neighbouring countries but would import as well: for example natural gas, oil and electricity from Burma and Laos.

The opening of the border and the establishment of industries will give the people of the region more job opportunities, he claimed.

Gen Chatchai talks about the building of highways, airports and railroads to link the northern region with the rest of the country.

He said a four-lane highway from Bangkok has reached Nakhon Sawan and he promises to extend it to Phitsanulok, Phrae, Lampang and Chiang Mai. A two-lane highway links the provinces at the moment.

He said Chiang Mai International Airport needs extensive renovations. "The airport is not truly international," he said.

He also promised to build two railroad projects in the North, saying that his government would build a new rail line from Chiang Mai to Chiang Rai at Mae Sai District, to Burma's Kengtung and then to Kunming in China.

Another line would be "a borderline" from Chiang Mai to Tak, then to Kanchanaburi.

He said he had brought in rail engineers to do a rough study of the route during his previous government.

"This would be the most beautiful rail line in the country—running across the Banthat mountains on the western border," he said.

The poor of the North, even though they have land, don't have title deeds, he said.

He promised that his government would speed up the process of issuing title deeds throughout the region.

To ease a water shortage for farmers in the region, he said, his government would support construction of the Kaeng Sua Ten dam in Phrae.

Chat Phatthana Calls PollWatch Charges 'Unfair'

BK1908022392 Bangkok BANGKOK POST in English 19 Aug 92 p 6

[Text] Chat Phatthana Party [CPP] secretary-general Prachuab Chaiyasan said PollWatch was unfair for accusing the CPP of having the most candidates accused of votebuying.

Mr Prachuab defended the party during a television programme taped at Thammasat University by Channel 11 yesterday and broadcast live on Thammasat radio.

Key members of the New Aspiration, Solidarity, Seritham and Prachakon Thai parties were also on the show.

Mr Prachuab said the CPP has brought together former MPs from many parties, but they should not be accused of buying votes because of complaints received during the March 22 election.

To be fair, people should look as far back as 1979, said the former Udon Thani MP.

"All former MPs in the CPP are trying to gain popularity from their past achievements. They are not trying to win support by saying their party leader would be prime minister," he said.

Mr Prachuab said the CPP was not established to make its leader Chatchai Chunhawan the next prime minister.

"To say that the leader of one party will be prime minister is usually done in a presidential system not a parliamentary system," he said.

He said he is an all-round politician who does not care which ministry he takes care of.

"My interest is what I can do for the people," he said.

On the Government's plan to give the mass media more freedom, Mr Prachuap said the present government was originally supposed to investigate the May unrest and prepare the election.

It should leave its plans for private television stations and others to be carried out by the next government, he said.

New Aspiration Party [NAP] leader Chawalit Yongchaiyut disagreed, saying that he has a strong desire to solve the country's problems and is openly campaigning to be prime minister.

"Whoever says he wants to be prime minister is a brave person. I don't want to be like one former prime minister who did not know what to do. I want to help people and be acceptable to them," Gen Chawalit said.

At the same time, he said, he would be glad if the leader of another party such as Phalang Tham's Maj Gen Chamlong Simuang is made prime minister.

Asked how he would prevent another coup if he is prime minister the former army commander said he would try to change the military's attitude and to make political parties genuinely represent the public.

On freedom of the mass media, Gen Chawalit said he supports the people's right to information.

He asked people not to vote for NAP candidates who are found to have bought votes.

Seritham Party leader Athit Urairat said the CPP has a weak point because Gen Chatchai had been accused of illegally amassing wealth while in office.

If the CPP is included in the next government, his party would join only if "clean" persons are named to the Cabinet, he said.

Chatchai-Chawalit Premiership Battle Turns Bitter

BK1908035892 Bangkok THE NATION in English 19 Aug 92 pp A1-A2

[Text] The premiership battle between leading contenders Chatchai Chunhawan and Chawalit Yongchaiyut erupted into a bitter war of words yesterday when the former prime minister said he pitied Chawalit for being disgruntled over failing to become the country's leader last March.

Chatchai's remarks were in retaliation to an attack by Chawalit over the seizure of the former prime minister's alleged "ill-gotten" assets by the military appointed Assets Investigation Committee. The New Aspiration Party leader said Chatchai was tainted and therefore disqualified from becoming PM again.

Chawalit, who has said he is ready to become the next prime minister, played on the assets theme while campaigning in the Northeast, the major election battleground between Chatchai's Chat Phatthana and Chawalit's NAP [New Aspiration Party].

"I have never said I am running for the premiership. I am just running for a House seat. Why drag me in?" Chatchai complained in a news conference at his Soi Ratchakhru residence.

"If Gen Chawalit wants to become prime minister, then he must work to help his party candidates win enough House seats. What he should be doing has nothing to do with me," said the former prime minister, who was ousted from power by a military group led by former prime minister Gen Suchinda Khraprayun.

Chatchai said he pitied Chawalit because he was disappointed in his latest bid tor the premiership.

"I don't believe he attacked me because we have known each other for a long time. He served my father [late Field Marshal Pin Chunhawan] when he was a junior officer," he said.

Chat Phatthana secretary general Prachuap Chaiyasan, who was also at the news conference, added: "Could you pass my message on to him: If he is disappointed again, don't kill himself by jumping into the Mekong River"

Chatchai also defended himself against the accusation that he was unusually rich.

Showing reporters his passbook at a bank, Chatchai claimed that the defunct National Peacekeeping Council had their man add money into his bank account to justify the move to discredit him.

He said that when his assets were frozen, his bank account was in the red.

"This was a deliberate act to ruin my reputation and I am now taking steps to bring the matter to the attention of the court," he said.

Chatchai also said he was not a "political devil" because he was not a member of the dissolved House.

"Neither did I lead people into the streets to be slaughtered," he said.

He said his Chat Phatthana Party was newly formed and was not a party to the conflicts during the May violence.

"NAP should not waste its time finding fault with our party. It's a waste to sling mud against others," he said.

Chatchai also cried "foul play" to the attempts by NAP to retain the alliance of the former four opposition parties, describing it as a move to discriminate against Chat Phatthana.

Reacting to the stinging remarks Chawalit said that Chatchai's pity for him was the Chat Phatthana Party leader's own affair.

"It won't affect me," he said.

He also hit at Prachuap, who had previously slammed the NAP leader for boasting that the top executive job was within his reach.

On Monday, Prachuap compared NAP to a bad drum which nobody wanted to beat and thus had to beat itself.

"Why was he so polite? His words fit very well with the saying that a word shows the core of the man who speaks it. He should be careful because what he said made me think that it was said by a market vendor," Chawalit said.

NAP spokesman Chaturon Chaisaeng, meanwhile, told reporters that Chawalit was the most likely premiership candidate to be nominated by the alliance of four former opposition parties because his party was expected to win more House seats than the others.

The joint announcement by the four parties—NAP, Democrat, Phalang Tham and Solidarity—not to accept Chatchai as prime minister would enhance the chance of the bloc forming the next government, he claimed.

The leaders of the four parties announced last Sunday they would not allow "unusually rich" politicians to become Cabinet members if they formed the next government.

NAP secretary general Phisan Munsatsathon yesterday invited his counterparts from the alliance to a meeting over a meal in what was seen as a move to show their solidarity.

The pledge by the four parties to bar unusually rich politicians from the next Cabinet dealt a heavy blow to Chat Phatthana's plan to join with some of the former opposition parties to set up the next ruling coalition.

Chatchai had previously been reported to be reluctant to join with former government parties led by Chat Thai because he was aware that such a coalition could come under fire for being "a gathering of political devils".

But the refusal by the former opposition bloc to accept him as prime minister may force him to reconsider the stand against Chat Thai.

The bitter war of words between Chatchai and Chawalit not only strains their relationship, but also lessens the chance of Chat Phatthana joining with NAP to set up the next government.

Editorial on 'Race' Between Chatchai, Chawalit

BK1908030392 Bangkok THE NATION in English 19 Aug 92 p A6

[Editorial: "A Close Race Between Chatchai and Chawalit"]

[Text] Chat Phatthana, New Aspiration and Phalang Tham are the three parties selling their leader as the most suitable person for the next premiership. But their tactics differ in detail.

Chat Phatthana (National Development) Party leader Gen Chatchai Chunhawan even claimed he wasn't "thinking" about premiership just yet; his primary concern was to get elected in Nakhon Rathachasima's Constituency 1. But throughout the country, and especially in the Northeast, the former premier's portrait in full army uniform with all top-class royal decorations figures prominently on the billboards and election posters of Chat Phatthana candidates.

The message is clear: Electing Chat Phatthana candidates is like choosing Chatchai for another term. And as if to drive home the point that Chatchai is the "most suitable" contender for the next premiership, the former premier leaves for Phnom Penh today in what looks like a publicity trip to underline his experience in diplomacy—a quality that other contenders mostly lack.

Not to be outdone, New Aspiration is aggressively disputing Chatchai's claim for political credit in opening up Indochina. New Aspiration Party leader Gen Chawalit Yongchaiyut likes to remind his audience that it was he, while army chief, who put Chatchai in power after Gen Prem Tinsulanon declined an invitation from politicians to head a new coalition government after the election in July 1988.

Chawalit was the first party leader—and so far the only one—to claim he would be the next premier. Such a strong determination is being cited by New Aspiration candidates in the Northeast as one good reason for voters to elect them. The Isan [Northeast] electorate is inclined to vote for parties that are either led by Isan politicians or by politicians with strong connections to the poor, arid region. Although Chawalit is running in Nonthaburi (which is adjacent to Bangkok's northern suburbs) he and his party keep reminding Isan voters that it was Chawalit who initiated the massive Green Isan rural development programme while he was the army chief.

The race between Chatchai and Chawalit will most likely be determined by the outcome of the Sept 13 election in the Northeast where 128 of the 360 House seats are at stake in 17 provinces of the region. So far the race is still too close to call as both sides are relying heavily on the experience of former MPs to win House seats by all means, including riding on the political coat-tails of their respective party leaders.

Phalang Tham, however, is more subtle in selling Maj Gen Chamlong Simuang as a contender for premiership. Although Chamlong formally resigned as party leader during the May crisis, he is still widely recognized by Phalang Tham members as their de facto leader. Chamlong says he is ready to be the next premier. But his chance will appear only if both Chatchai and Chawalit cannot lead a majority coalition and his party wins more House seats than the Democrats.

Democrat Party leader Chuan Likphai started out as the frontrunner but he and his party seem to have lost some momentum, owing to first the sudden defection of deputy leader Prachuap Chaisan to Chat Phatthana and later the decision of party executive Khunying Suphatra Matsadit to drop out of the race for re-election in Nakhon Si Thammarat despite objections from the party leadership.

In their election campaigns, few Democrats outside the southern region stress the potential of their party leader as a contender for the premiership. Chuan, who is a six-times MP from the southern province of Trang, is still seen in other regions as a parochial southern politician whose power base is deeply entrenched in the South. Thus in Bangkok Democrat candidates are playing up their party's economic platform more than anything else.

The only major party that is not selling its party leader is Chat Thai. The party actually has a clear-cut policy to avoid this tactic. Party leader Pol Gen Praman Adireksan is campaigning only in his constituency in

Saraburi. Unlike leaders of other major parties, the 79-year-old Chat Thai leader seldom goes on any campaign trips to help his party's candidates. Perhaps it is because of his health, or perhaps other Chat Thai candidates don't need him because most are veteran politicians who know how to win election on their own.

All in all, the race for the next premiership is strictly between Chatchai and Chawalit—assuming that the fourth constitutional amendment will come into effect after the election, thereby barring non-MPs from holding the premiership. This should be seen as a slight improvement on the previous election on March 22, 1992, when Chawalit alone was the most visible contender.

Wimon Threatens Lawsuit for Bombing Accusations

BK1908042292 Bangkok THE NATION in English 19 Aug 92 p A3

[Text] Army Commander in Chief Gen Wimon Wongwanit yesterday said he would sue those who claimed military personnel had masterminded the fatal bomb explosion at the Hat Yai railway station in Songkhla province.

Gen Wimon said he regarded the claim that some military officers were behind the bomb blast and sought to exploit the situation as an insult to the military which had a duty to protect the country.

"Tell me who made the claim that the military was behind the bomb explosion," Wimon told reporters. "I will sue him. I regard it as an insult to the military if someone is saying it masterminded the bomb explosion."

The general was responding to newspaper reports here and in Malaysia and Singapore which said the military had played an important role in the bomb blast which killed three people and injured scores.

Wimon gave an assurance that the military had nothing to do with the explosion in the station ticket office as about 150 people queued to buy tickets.

Two men were killed instantly in the blast while a third, whose legs were severed, died in hospital. About 73 people were injured.

The incident came in the wake of the recent military reshuffle ordered by Prime Minister Anan Panyarachun, which saw the transfer to inactive posts of military leaders widely held responsible for the political turmoil in May. They included ACM [Air Chief Marshal] Kaset Rotchananin, Gen Itsaraphong Nunphakdi and Lt Gen [Lieutenant General] Chainarong Nunphakdi.

Some reports have alleged some military personnel wanted to express dissatisfaction over the reshuffle.

A letter found at the blast scene carried the logo of a Thai-Muslim separatist group, the Phatthani United Liberation Organization (Pulo). In the letter Pulo claimed responsibility for the blast.

Meanwhile, Foreign Minister Asa Sarasin stressed it was Malaysian and Singaporean newspapers which had linked the recent incidents, and not their governments.

Asa said it was incorrect to blame the governments of these two countries for news reports claiming the bomb blast last week was a result of the recent military reshuffle.

"The [Malaysian and Singaporean] governments are not the ones who linked the two incidents. How can they be blamed? The papers did this without any support from their governments," Asa said.

It depended on individual reporters who would write whatever they wanted, he said. Thai authorities would investigate the news reports before launching any action.

A committee chaired by Deputy Prime Minister Phao Sarasin had already been set up to investigate the explosion Asa said. He declined to blame any group for the incident, saying he would wait for the result of the committee's probe.

When a reporter suggested Asean countries were not sincere towards Thailand as they usually strongly criticized it when a serious incident happened, Asa sought to play down the statement.

"Be optimistic. I believe that they [the Asean countries] have no ill intentions [towards Thailand]. The countries have to rely on each other for joint benefits in the future," Asa said.

Vietnam

Report on Visit of U.S. Student Delegation

BK1908065492 Hanoi VNA in English 0557 GMT 19 Aug 92

[Text] Hanoi VNA August 19—A delegation of American students led by a professor of the James Madison University in Virginia State recently visited Vietnam.

This is the first delegation of Americans to be taken around Vietnam. Most of them are students of business schools.

The delegation paid a tribute to President Ho Chi Minh at his mausoleum, visited the army museum and the Hanoi University.

It also visited the old imperial city of Hue, Ho Chi Minh City and some of the Mekong River provinces.

Prospects for Economic Ties With Russia Viewed

BK1808115592 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 11 Aug 92

[Kim Lien essay: "New Prospects for Vietnamese-Russian Relations of Cooperation"]

[Summary] "Due to the profoundly changing situation in the former Soviet Union, economic and trade relations between Vietnam and the republics of the former Soviet

Union are not the same as before. The need to undertake economic reforms in Russia and other independent countries as well as the renovation undertaking in Vietnam require both sides to reexamine their commitments and principles of cooperation to suit their shifting from a commodity-based economy to a modern multisectoral economic system."

Therefore, in the recent exchanges of visits between a Vietnamese Government delegation led by Council of Ministers Vice Chairman Tran Duc Luong and a Russian Government delegation led by Deputy Prime Minister Makharadze, "the two sides reexamined those agreements previously signed between Vietnam and the former Soviet Union and reasserted fundamental principles in the relations between the two countries such as conducting trade according to international practice, making financial settlements based on hard currency, establishing joint ventures, offering each other most-favored nation status, and other favorable economic and trade treatments on the basis of equal cooperation and mutual benefit."

Those agreements which have been signed or are going to be signed between the two countries include an economic-trade agreement, a protocol for 1992 trade cooperation, an agreement on promotion and protection of investment, an agreement on avoidance of double taxation, an agreement on civil aviation, maritime, post and telecommunications, labor and scientific-technological cooperation, and cooperation in eductional and information training, and so forth. To ensure regular contacts, a sub-committee for cooperation has been set up by each side and led by a deputy premier.

"According to those agreements and protocols on economic and trade agreements already signed, CIS member states and the Russian Federation now have a great demand for Vietnamese imports such as rice, meat, sugar, tea, coffee, rubber, vegetable oil, legumes, canned food, garments, handicraft articles, and so forth. Likewise, Vietnam also has import demands for many kinds of equipment, machinery, transport and technical equipment, machine replacement parts, and other types of products, and raw materials such as gasoline, oil, iron, steel, and fertilizer."

Russia and other CIS member states will create favorable conditions for various corporations to increase their barter trade to meet each other's market demands, and "the value of barter trade is expected to reach billions of U.S. dollars per year."

While touring Hoa Binh power project site as part of his recent visit to Vietnam, Russian Deputy Premier Makharadze also said that "in the new era, relations between Vietnam and Russia will be based on the market economy."

Nam Ha Party Organization Holds Eighth Congress

BK1808152592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 12 Aug 92

[Text] The Nam Ha provincial party organization has convened its eighth congress. The recent re-delineation of the administrative boundaries of the province has increased everyone's workload. Noteworthy is the fact that more than 4,000 state employees have become redundant. In addition, there is a lack of material facilities for 16 bureaus, departments, and sectors. Given such circumstances, the executive body of the provisional provincial party committee has motivated all echelons and sectors to accelerate production and stabilize the mechanism in order to satisfactorily fulfill all socioecnomic development targets set by the previous party organization congress.

Last year, Nam Ha reaped a bumper fifth-month spring rice harvest. The total paddy yield reached a record number of more than 480,000 tonnes. The volume of industrial goods like knitwear and embroidery products, household appliances, and ready-made garments has also increased, thus creating the conditions for the party organization to convene its eighth congress scheduled to take place from 10-12 August 1992. Participating in the congress were 366 delegates representing some 120,000 party members from 19 district and city party organizations in the province.

Comrade Nguyen Ha Phan, secretary of the party Central Committee, attended and addressed the congress. Based on prior knowledge acquired from a study of the congress-related documents, the participants seriously assessed the implementation of the four socioeconomic development programs set forth by the previous congress. In expressing their views, many participants asserted that party-building work had been reflected in the political, ideological, and organizational domains; that equal importance had been given to efforts to consolidate party installations; and that quality assessment had been based on party members' observance of party statutes and state law, as well as on their relations with the masses.

Based on the experiences drawn from the localities, the congress set forth the socioeconomic development targets for the period from now until 1995 as follows: It is necessary to produce an average paddy yield between 820,000 and 900,000 tonnes per year plus 1 million tonnes for subsequent years; increase the average industrial growth rate by 4 percent per year and achieve a total of USD 15-20 million in export index till the year 1995; and lower the population growth rate by 1.7 percent.

The participants maintained that the economic structure of Nam Ha Province must be built on agriculture, industry, fisheries, service industry, and export. The congress asserted that Nam Ha's economic strengths rest with its grain and food processing industry, weaving industry, and building materials production. The congress elected the eighth Nam Ha provincial party committee executive body comprising 48 members, with new members accounting for more than 40 percent and with most of them holding college or post-graduate degrees. Comrade Bui Xuan Son, member of the party Central Committee, was elected secretary of the Nam Ha provincial party committee.

Hanoi Papers Mark August Revolution Anniversary

BK1908070492 Hanoi VNA in English 0627 GMT 19 Aug 92

[Text] Hanoi VNA August 19—The national daily NHAN DAN in an editorial today says that to every Vietnamese, the August Revolution is an unforgettable historic event, a great revolution which took the Vietnamese people out of eight decades of slavery and a glorious landmark in the nation's history.

The paper says :

"The will for self-reliance, self-advancement and the lessons on how to cope with difficulties are actually at the roots of the new strength of our people in overcoming trials on the road forward.

"Since the beginning of renovation, our country has achieved initial important successes. The achievements recorded in 1991 and in the first six months of 1992 in the conditions of big upheavals in the world have steeled our confidence in the intelligence and leading capacity of our party, the firm will and creativeness of our people and the new possibilities for development of our country. They are convincing proofs that we can stand on our feet and move forward."

For its part, the army paper QUAN DOI NHAN DAN says:

"One of the most important lessons of the August Revolution for our present renovation is the lesson on the blood-sealed relationship between the party and the people, on the vaguard role and the ability of mass mobilization of cadres and party members.

"In the August Revolution, the people followed the revolution not only because they believed in truth but also because they trusted the party cadres members, the vanguard combatants who always matched their words with deeds."

"Today, in face of the complicated situation in the world and our revolutionary renovation, more than ever before the lesson on the deep attachment of the people to the party bears a vital significance."

Smallest Minorities Threatened With Disappearance

BK1808133692 Hong Kong AFP in English 1200 GMT 18 Aug 92

[Text] Hanoi, Aug 18 (AFP)—Vietnam's smallest minorities will soon disappear if nothing is done soon to help them survive, the NHAN DAN daily said Tuesday.

The Ro-mam and the Brau, who live on the high plateaus of central Vietnam, "risk disappearing in a few decades ... if the state does not take measures to aid them," the newspaper said.

The Ro-mam number around 46 families with 212 people, while there are only 182 Brau divided into 37 families. NHAN DAN said that births in these groups were running at only one third the rate of deaths.

Both groups live in a state of destitution and almost total isolation in a region where malaria is widespread, lacking "mosquito nets, clothing and salt, and have neither fuel (for lighting) nor medicines," it said.

The groups live isolated from other peoples, and not one person in either was able to speak standard Vietnamese.

Although both the authorities know of these peoples' plight, neither the central nor local governments have taken any measures to help them.

Vietnam has around 60 minorities, whose numbers range from several hundred thousand for groups such as the Tay, Nung and the Hmong, to several hundred in the case of the smallest.

Generally self-sufficient, these minorities are largely found in Vietnam's most remote and inaccesibile regions, which include the central plateaus and the mountains in the north and the northwest.

Often regarded as "savages" by the majority of the population, many of these peoples have stubbornly resisted inteference from the government, especially those with nomadic ways of life whom the authorities have been trying to presuade to settle down during recent years.

Australia

Budget Deficit of U.S.$9.65 Billion Posted

BK1808104892 Hong Kong AFP in English 1043 GMT 18 Aug 92

[Text] Canberra, Aug 18 (AFP)—Australian Treasurer John Dawkins Tuesday announced a budget deficit of 13.4 billion dollars (9.65 billion U.S.) for the fiscal year to June 30, 1993, with spending emphasis on jobs and social welfare.

In his annual budget statement to parliament—the last before the general election which must be held by May next year—Dawkins predicted that the economy would grow by three percent in fiscal 1992-93.

The treasurer said his spending plan would provide "a strong but temporary stimulus" to the economy and continue Labor's programme of social reform.

Among spending set down for the current year, 1.1 billion dollars (792 million U.S.) went to job training and 742 million dollars (534 million U.S.) on creating jobs through direct allocations to local communities.

Dawkins called it "a budget for our times ... and our future," denying it was crafted with an election in mind. Prime Minister Paul Keating, who ousted Bob Hawke from the leadership in a party coup last December, must go to the polls by May next year.

The budget programme included increase spending on hospitals, schools, pensions and housing.

Dawkins blamed the increased deficit in 1992-93 on the effects of the recession on revenue, the slow recovery in employment leading to growth in outlays, and increased spending in such areas as job training.

He said the deficit would be eliminated "as soon as possible," forecasting it would be at about one percent of GDP by 1995-96—he foreshadowed a number of tax changes to maintain revenue if that target was threatened.

It had been a promise of Keating that the budget would be returned to surplus by 1995-96. Keating had also promised eight billion dollars (5.8 billion U.S.) in personal income tax cuts by 1996—Dawkins said those cuts would go ahead.

The sale of public assets is expected to bring in 1.6 billion dollars (1.2 billion U.S.) in revenue, with a further one billion dollars (720 million U.S.) expected from more sales over the next three years.

Assets on the block include Qantas and Australian airlines, the uranium stockpile and shipping line ANL.

Going up for sale were the Commonwealth Serum Laboratories, the Moomba-Sydney gas pipeline, and the Snow Mountains Engineering Corp.

The Treasury based its three percent growth estimate on a steady growth in private consumption, consolidation of the housing recovery and public spending.

Private sector spending is forecast to recover during 1992-93 after falling over the past three years.

The farm sector is also expected to turn around following the breaking of the drought in some areas, though drought is persisting in some major regions.

Subdued international growth and associated uncertainties, particularly in Japan and the United States, were likely to constrain exports.

Treasury forecast the terms of trade to remain at low levels, due to the slow pace of the recovery so far.

The deficit on the current account is expected to rise to 15 billion dollars (10.8 billion U.S.) from 11.9 billion dollars (8.6 billion U.S.) after two years of significant falls as domestic demand recovers and the constraints on export growth due to sluggish world economic activity.

Budget Cuts Follow Security Agencies' 'Shake-Up'

BK1908042792 Sydney THE AUSTRALIAN in English 22 Jul 92 p 3

[Text] ASIO [Australian Security Intelligence Organization] will face cuts in the Budget as part of a shake-up of intelligence agencies that includes the creation of a mechanism to control and coordinate the flow of secret information to the Federal Government.

The Prime Minister said last night the Government had decided there was "scope for resource reductions" for ASIO.

The shake-up follows a review of the impact of the end of the Cold War on the roles and priorities of the intelligence agencies and the role of the Department of Foreign Affairs and Trade as a provider of information.

Mr Keating said an integrated "medium to long-term planning mechanism"—the Foreign Intelligence Planning Document—covering overt and covert intelligence collecting was to be established.

The mechanism would recognise the "centrally important role" of the Department of Foreign Affairs and Trade in keeping the Government informed about developments abroad, but would be largely produced by the Office of National Assessments.

Foreign Affairs and Trade has had its central role in intelligence gathering and reporting recognised despite the controversy over its handling of the storming of the Iranian embassy in April.

Diplomatic Missions in Asia Receive Budget Boost

BK1808105492 Hong Kong AFP in English 1041 GMT 18 Aug 92

[Text] Canberra, Aug 18 (AFP)—Australian diplomatic missions in Asia received a boost under the budget handed down here Tuesday, reflecting expanding political and economic efforts in the region.

Foreign Minister Gareth Evans said in a statement accompanying the budget that 10 extra staff had been authorised for Australian missions in Asia, including Jakarta, Tokyo, Bangkok, Seoul and Kuala Lumpur.

Evans said a new consulate-general would be set up in rapidly expanding Guangzhou, in southern China.

There was also assistance for the Australian Chamber of Commerce to increase the size of its office in Taipei.

Cuts were made in other regions, with a decision to close three embassies—in Prague, Lisbon and Bern. Their responsibilities would pass to other missions.

Evans said the government had approved 400,000 Australian dollars (288,000 U.S.) in funding for the anticipated Asia-Pacific Economic Cooperation (APEC) secretariat.

To cover Australia's contribution to the U.N. Transitional Authority in Cambodia (UNTAC) to June 30 1993, the government set aside 15.5 million dollars (11.2 million U.S.), with a further 7.3 million dollars (5.3 million U.S.) earmarked for the U.N. Protection Force in Yugoslavia.

Foreign affairs and overseas aid received 1.95 billion dollars (1.4 billion U.S.) in the budget, an increase of 4.5 percent, or 1.1 percent in real terms, over 1991-92.

Bilateral aid rose 5.9 percent to 975 million dollars (702 million U.S.), while multilateral aid remained unchanged at 340 million dollars (245 million U.S.), a drop in real terms.

Government To Increase Aid to Southeast Asia

BK1908051492 Melbourne Radio Australia in English 0300 GMT 19 Aug 92

[Text] The Australian Government plans to spend nearly $3.5 billion this financial year in a bid to reduce unemployment to below 10 percent by next July. The move is part of the federal budget which was announced yesterday by the treasurer, John Dawkins.

Mr. Dawkins estimates that the budget deficit for this financial year will be $13.4 billion. Australia's aid budget will increase one percent in real terms this financial year to $1,384 million. Aid to Southeast Asian nations will increase by 13 percent in real terms while government to government aid to Cambodia and Vietnman will reach $150 million over the next four years.

The government is also shifting more of its diplomatic resources to Asia which Foreign Minister Gareth Evans says reflects Australia's expanding economic and political efforts in the region. About 60 percent of Australia's exports are to Asia, with Japan as the largest market and the Southeast Asia is buying more from Australia than the United States.

Australia will spend $187 million over three years to build a new headquarters in Canberra for the Department of Foreign Affairs and Trade, while $55 million have been allocated to build and repair diplomatic missions in Port Moresby, Bangkok, and Hanoi.

The already unstable Australian dollar fell after the bugdet announcement. It has since stabilized, but currency dealers say there could be further falls in coming days.

Fiji

Sole Indian Minister Resigns From Government

BK1808122692 Hong Kong AFP in English 0858 GMT 18 Aug 92

[Text] Suva, Aug 18 (AFP)—Himmat Lodhia, the only Indian minister in the new Fijian government of former strongman Sitiveni Rabuka, resigned Tuesday over revelations concerning his business activities, according to official sources.

As the head of one of the country's biggest jewellery firms, Lodhia, who was minister of state for Indian affairs, has been the subject of police investigation.

Fiji's DAILY POST newspaper reported Tuesday that Director of Public Prosecutions Isikeli Mataitoga was studying a police file on Lodhia, who is the first minister to resign from the government elected in May.

The POST quoted police saying the investigation began in 1990 following a complaint by the Customs Department.

A government statement said he had sent a letter to the prime minister saying his resignation would take effect Wednesday.

Lodhia referred in the letter to media reports implicating Fiji's jewellery industry generally "and my family in particular."

He added that he was resigning to avoid compromising either his ministerial portfolio or the dignity and good standing of the government.

The local media carried reports earlier this month alleging widespread malpractice in the jewellery industry here.

Lodhia was an appointed Indian member of Fiji's upper house, the Senate, and was made minister responsible for Indian affairs some weeks after the all ethnic Fijian ministry was appointed.

Rabuka has consistently said he would stamp out corruption, although he has so far refused to release a report on an investigation into allegations of corruption concerning some prominent members of the Fijian establishment.

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43